

1

Core Strategies and Operational Priorities

In 2008, the TaiwanICDF adjusted its strategic guidelines to meet contemporary global challenges. From supporting food security to addressing environmental sustainability; from confronting the global financial crisis to seeking new opportunities; from assisting developing partners to cooperating with emerging economies; and from strengthening bilateral partnerships to consolidating multilateral relationships — the TaiwanICDF remained committed to playing an active role in development, and worked toward the ultimate goal of sustainable growth.



Core Strategies and Operational Priorities

International Development and Cooperation Strategies

The assistance that the TaiwanICDF provides to partner countries seeks to strengthen international cooperation and enhance foreign relations, grounded in a long-standing mission of “working for humanity, sustainable development, and economic progress.” The organization seeks to give back to the international community for assistance provided to Taiwan in the past, and takes advantage of Taiwan’s own economic development experience when carrying out its international development and cooperation work. Each year the organization revises its three-year rolling program, in order to respond to current international trends in development, and to harness Taiwan’s comparative advantages from both the public and private sectors. For each project, the organization designates specific objectives commensurate with this core program. Similarly, projects are structured as a package that works collectively to achieve the TaiwanICDF’s short-, medium- and long-term goals.

In 2008, the organization’s operational strategies continued to center on addressing the MDGs, and continued to emphasize projects driven by technical cooperation and financial assistance. The focus was on agricultural productivity as a means to reduce extreme poverty, to raise the competitiveness of the private sector, to train the human resources needed to foster economic and social development, to engage in the provision of medical services and health care, and to promote social equality. In 2008, the TaiwanICDF also placed an increasing emphasis on environmental sustainability, which is an issue of prominent contemporary concern. Preparation and appraisal carried out in the previous year laid the foundation to introduce small-scale pilot projects in environmental protection and clean energy. Meanwhile, as a food crisis emerged in the first half of the year, the TaiwanICDF took steps to adjust its resources toward

the most essential agricultural pursuits. By emphasizing increased grain output in five partner countries facing the most severe shortfalls, the organization was able to boost food productivity and make a substantial contribution toward securing social stability. The TaiwanICDF also provided assistance via reconstruction projects in countries that had suffered from natural disasters, which eased social unrest, and allowed the most vulnerable members of society to get their lives back to normal.

In 2009, the TaiwanICDF will engage its strategic objectives to encourage stable and sustainable growth. In addition to overseeing an increase in the output of food-stuffs, the organization will help to foster the establishment of agribusinesses, and encourage export-oriented agricultural trade. In addition to treating local patients, training will be given to local medical personnel, in order to equip partner countries with the skills needed to provide medical services and bolster public health systems. Other efforts to raise the quality of human resource and build institutional capacity will lay the groundwork for private sector development. Finally, in carrying out its operations directed toward sustainable economic growth, the organization will also be in a position to pursue the connected goal of environmental sustainability.

Methods of Realizing Core Strategic Objectives

For the TaiwanICDF, the successful achievement of its core strategic objectives and the implementation of its projects both rely on a far-sighted appreciation of a range of interconnected issues. The organization engages in close cooperation with partner nations, responding to their basic needs in accordance with their differing levels of economic growth. Through direct and indirect manpower and funding, the organization progressively introduces techniques and technologies that boost human resource and support institutional capacity building. This helps to accelerate development in partner countries, and maximizes opportunities for leapfrog development, in order to achieve the ultimate objective of eradicating extreme poverty and fostering sustainable growth.



Case Study

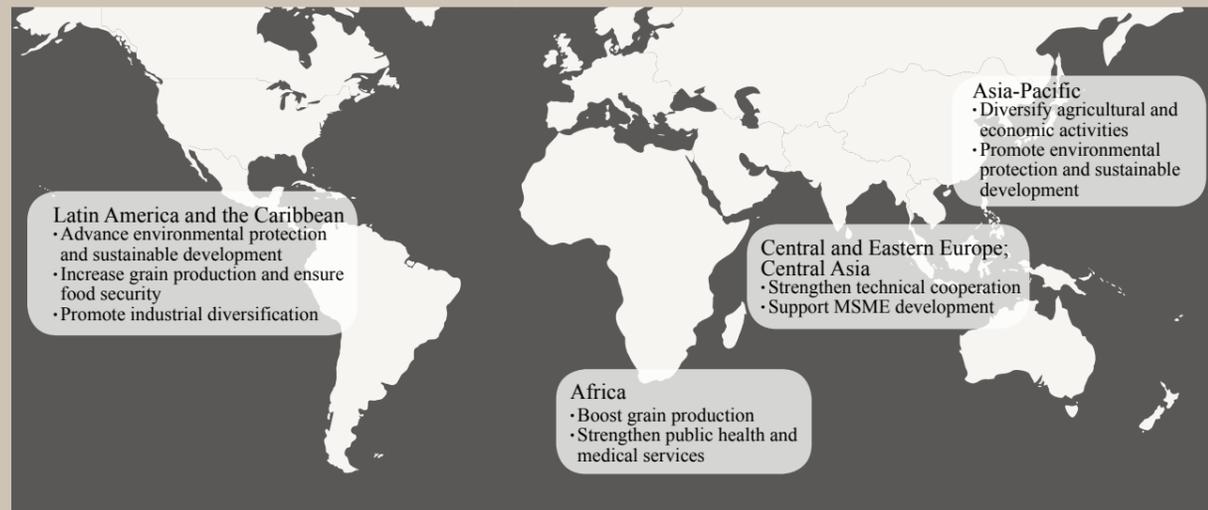
Medical Cooperation, on the Move

Over the years, Taiwan has endeavored to provide first-rate medical services to its partners among the international community. To complement the work of its permanent medical missions stationed in a number of partner countries, the TaiwanICDF began to organize and dispatch Mobile Medical Missions (MMMs) in 2005, in response to a concerted effort among the international development community to boost medical services and health care. The term “mobile” represents versatility, sometimes referring to a series of temporary bases (working from clinics, hospitals or community centers), and sometimes referring to treatment that really is dispensed “on the road.” Comprising specialist doctors, nurses, and pharmacists, each MMM provides services covering internal medicine, surgical medicine, pediatrics, obstetrics and gynecology, and dentistry. From capital cities through to the remotest villages, MMMs target any location lacking in medical resources, diagnosing illness and treating any member of the public in need. MMMs stationed at specific clinics also engage in short-term cooperation with local hospitals, offering joint diagnosis and treatment. In 2008, 18 MMMs were dispatched to 13 different partner countries, comprising 165 doctors, nurses, pharmacists and healthcare professionals from 16 hospitals from Taiwan.

Although MMMs only offer temporary medical assistance, the care and concern they represent makes a lasting impact. In February, an MMM was dispatched to northern India for the first time, where the team used a medical van that the TaiwanICDF had previously donated to the Tibetan Refugee Self Help Center, to provide medical services around Darjeeling. Meanwhile, a

mission to Nauru – comprising staff from Taichung Veterans General Hospital and the Show Chwan Memorial Hospital – saw medical personnel successfully treat an infant suffering from Meconium aspiration syndrome. In honor of this life-saving action, the infant’s parents decided to name the child “Taiwan.” In Kiribati, an MMM from Mackay Memorial Hospital treated a child who had been disfigured when bitten by a dog, and after initial treatment, the ROC’s embassy on the islands arranged to transfer the child to Taiwan for further plastic surgery. Following a series of hurricanes across Central America and the Caribbean in late-2008, MMMs were dispatched to Guatemala (from Taipei Medical University Hospital and Cheng Hsin Hospital) and Haiti (from Wan Fang Hospital) to administer emergency medical care. Haiti in particular suffers from an acute shortage of medical resources, and the MMM provided free services to around 300 residents per day. The mission was much needed and well received: On the outskirts of Port-au-Prince, lines of people stretching round the block welcomed the TaiwanICDF with open arms.

2009 marks the fourth year that the TaiwanICDF will dispatch MMMs overseas. During the year, teams will strengthen cooperation and interaction on the ground, working directly with medical personnel in partner nations to provide clinical training and to advocate public health education. Through this process of enhancing and diversifying operations, the TaiwanICDF and its partners will be making a lasting contribution toward the improvement of health care environments across the world.



In 2008, the TaiwanICDF's operational priorities focused not only on areas in which Taiwan possesses advantages or outstanding technology, such as agriculture, aquaculture, medicine, private sector activities and trade, and ICT; but also on amplifying previous efforts. This was done by upgrading projects, engaging in cross-sector project work, and accelerating multilateral cooperation. The organization also acted as a platform for mutual collaboration by drawing on the talent and commitment of Taiwan's private sector and nongovernmental organizations (NGOs), thereby increasing the level of national resource directed toward international development and cooperation. This has helped to create a more effective dialogue with partner countries, inspired participation among a wider range of international development partners, and leveraged the gains that are made when organizations work together, and for a common cause. The TaiwanICDF actively seeks to expand on the possibilities of multilateral cooperation, believing that the benefits of this approach bring about real change for its partners.

Regional Highlights and Support Activities

The TaiwanICDF's partner nations are spread across the world. Each region faces different challenges due to its differing geography, cultural and social structures; and each region is endowed with differing natural resources, and stands at a different stage of economic development. Consequently, the TaiwanICDF's limited resources must be exploited with effectiveness and efficiency, and take account of the principles of ownership, alignment, and

mutual accountability when dealing with partners. The TaiwanICDF project cycle begins by identifying regional concerns before homing in on how its overarching policies can be directed toward effective cooperation; later, the organization communicates with partner nations to coordinate appropriate action at a country level. Projects are conducted by technical personnel or experts stationed at permanent missions in partner countries, and transparency and accountability are ensured by listening to the voice of relevant stakeholders.

Africa

Embracing a fairly conservative stance on free markets, Africa is a region with relatively little integration with the global financial system. The initial effects of the global financial crisis were slow to materialize on the continent, and its macro-economy remains relatively unthreatened. Most of the TaiwanICDF's partners in Africa are small or inland countries, relying on agriculture as their main sector of production. Due to misleading development strategies over the past decades, and recent imbalances in the global grain market, some nations have been left with serious concerns over food safety. Therefore, the TaiwanICDF's short-term purpose has been to focus on increasing grain output, and strengthening infrastructure as a base for further development. It seems unlikely that recent shortages in the international supply of grains are a one-off problem, and as such, the organization will contribute toward partner countries' long-term, comprehensive agricultural development policies, in order to assist in the safe supply of foodstuffs and stable economic growth.



Case Study

International Higher Education Scholarship Programs

Education has a value of equal significance to the well-being of individuals, and to the well-being of nations; it is the key to long-term, stable growth on a personal and public level. In order to fulfill its responsibility to assist partner nations in developing human resources, the TaiwanICDF established its International Higher Education Scholarship Program in 1998. The initiative began with a Master's Program in Tropical Agriculture at the National Pingtung University of Science and Technology – the first English-language course taught in Taiwan – and offered full scholarships to outstanding students who showed a potential for excellence. Over the years, the TaiwanICDF has cooperated with other local universities to increase the breadth and depth of courses on offer, all of which are conducted in English. As of the end of 2008, the TaiwanICDF and 15 local universities were working together to offer 23 bachelor's, master's and Ph.D. programs. Each year, about 100 new students are enrolled onto courses.

The specialized curriculums offered under the program have helped students to cultivate knowledge and expertise that complements the level of development in their own country, covering agricultural development, business administration, human resources development, aquaculture, ICT, electrical engineering, health and medicine, environmental development, precision molding, nursing, civil engineering, and other relevant subjects. All these skills play a part in building the capacity of TaiwanICDF partner nations. In addition to their core curriculums, students are encouraged to study Mandarin, and to take

part in learning activities related to Taiwanese culture, which helps them understand and adapt to local life. Many graduates have gone on to assume government-level positions at home, playing a vital role in the development of their country; all have become friends to Taiwan.

The TaiwanICDF and the 15 cooperating universities have also established the Taiwan International Cooperation Alliance (TICA), facilitating greater interaction between institutions. A number of joint activities are held per year, and in addition to high-level conferences and working meetings, TICA members conduct a joint orientation program and graduation ceremony, so that students at different universities are able to come together. Special events also take place throughout the year, celebrating dates in the Taiwanese calendar such as the Mid-Autumn Festival, and the Lantern Festival. TICA members also publish a newsletter and the Journal of International Cooperation, which presents scholarly output on a range of academic subjects. Together, these initiatives represent an effective combination of educational and cultural resources.

The International Higher Education Scholarship Program acts as a mechanism for outstanding overseas students to gain an insight into life in Taiwan, and to acquire practical, professional knowledge. More importantly, in bringing outstanding foreign students to Taiwan, the program is adding diversity to Taiwan's universities and campuses, and further internationalizing higher education here.



Case Study

ICT Development Cooperation Projects in the Caribbean

When the TaiwanICDF launched its first ICT initiative in 2003, the primary focus of its projects was to establish Digital Opportunity Centers (DOCs), in order to reduce the digital divide between partner countries and the rest of the world. More recently, the focus has shifted toward the public sector, where the organization has sought to develop e-government applications that improve partner governments' administrative efficiency. These achievements to date provide a foundation for future work, which will concentrate on promoting e-commerce and e-marketing in the private sector, and on delivering cost- and time-saving solutions to MSMEs in order to boost their international competitiveness, and their ability to explore broader markets.

Since 2006, the TaiwanICDF has assisted St. Vincent and the Grenadines, St. Kitts and Nevis, St. Lucia and Belize to draft comprehensive strategies for expanding their e-government capacity. Through ICT Development Cooperation Projects in each of these four nations, the creation of national ICT centers and the development of bespoke applications are allowing government officers to perform their administrative duties electronically. The TaiwanICDF's resources are complemented by technical missions, volunteers, and men in the Youth Overseas Service, all of whom play a crucial role in carrying out these projects, and enhancing project synergy. As of the end of 2008, national ICT centers had been opened in St. Kitts and Nevis, and St. Lucia; and a similar center in Belize was at the planning and design stage. Moreover, all of the governments have been assisted in establishing government portals, including

online presences for many individual ministries, opening up new channels for communicating with citizens. The TaiwanICDF has also assisted the Belizean Ministry of Economics to create and maintain a database, and rolled out custom-made applications in health and national security (St. Kitts and Nevis), vehicle licensing (St. Lucia), crime management (St. Lucia; St. Vincent and the Grenadines), and fingerprint indexing (St. Vincent and the Grenadines). Taiwan's proficiency in ICT is being put to practical use, leading to greater efficiency in both the public and the private sectors as they adapt to the changes and challenges of keeping pace with modernization.

Achievements made through these projects were highlighted during the "International Seminar on the E-Government Cooperation Experience between Taiwan and St. Kitts and Nevis," in November 2008, which also covered the harmonization of regional e-government frameworks, and the benefits of pooling resources across the region. ICT experts from Taiwan gave a series of keynote speeches detailing their experiences in installing network infrastructure, issues surrounding the computerization of government information and services, and ICT funding strategies based around public and private partnerships. Over 80 representatives from 10 member states of the Caribbean Community, the European Union, the Caribbean Centre for Development Administration, and St. Kitts and Nevis' public and private sectors attended the event. The seminar put the spotlight on international and regional interaction, and underscored a period of excellent results for the TaiwanICDF's endeavors in ICT cooperation.

Another important factor restricting development in Africa is the lack of public health services, and the impact that infectious diseases have had on the labor force. Eighty percent of the two million people who die annually from malaria live in sub-Saharan Africa, yet malaria is treatable and preventable. In order to provide comprehensive solutions to these challenges, short-term programs addressing outbreaks of disease must be executed in parallel with medium- and long-term disease management and prevention measures.

Today, African economies are on the verge of recovery. In order to assist countries in the region to address food shortages, and extreme poverty and disease, the TaiwanICDF's activities have centered on increasing the output of grains, improving public health systems, and providing accessible medical treatment. These core activities have been backed by human resource training, the provision of humanitarian assistance, and development for infrastructure. Through these comprehensive measures, the TaiwanICDF seeks to boost social stability and economic growth in the region by promoting diversified development and increased employment, and by assisting the most vulnerable.

Asia and the Pacific

In recent years, climate change and environmentally sustainable development have been key issues influencing the social and economic development of nations in Asia and the Pacific. Increasingly extreme weather events continue to highlight the fragility of the region. According to the Asian Development Bank (ADB), about 1.2 billion people in the region could face freshwater shortages by 2020, while Central and South Asia could witness crises in which grain output is cut by half. Meanwhile, Pacific island nations face the threat of rising sea levels.

The rapid growth of emerging countries in the region is triggering an immense demand for energy, which is destabilizing food supplies and causing concern over increased emissions of greenhouse gases. In 2008, the global economic slowdown reduced demand among industrialized nations, which directly impacted the economic progress of many countries in Asia and the Pacific, whose economies rely on exports for growth. The region has been hit hard by a decline in tourism and remittances from overseas nationals; costs are higher, and there is increasingly limited access to international capital. These underlying factors are expected to continue to influence

the region's economic outlook throughout 2009.

Given the region's immense physical dimensions, and the varying levels of development exhibited between individual countries, the TaiwanICDF has chosen to focus on strategies relevant to the needs of different partners. In countries with better economic climates, the emphasis is on accelerating industrial growth by improving technical capacity. For example, the organization conducts a Workshop on Agricultural Strategy and Value Chain Management, and is also implementing a landscaping project in Bahrain. For countries whose economies are heavily weighted toward a single industry, the TaiwanICDF is providing advisory services and consulting on new industries and economic diversification — as it has in Palau, for example, through the Agriculture and Tourism Development Project. Meanwhile, self-sufficiency has been made a priority for those countries facing lower levels of food production, through the Rice Project in the Solomon Islands, and the Aquaculture Project in Nauru. In Tuvalu, sustainability has been one of the most pressing issues, receiving attention through the Funafuti Household Solid Waste Management Technical Assistance Project. Finally, ICT capacity is a point of concern for all of the organization's Pacific island partners, where E-government Technical Assistance Projects are assisting governments to improve their administrative efficiency. Together, this range of initiatives is proof of the TaiwanICDF's commitment towards nurturing global partnerships for development.

Latin American and the Caribbean

Most countries in this region have shown strong growth in recent years, although according to the observations of the International Monetary Fund (IMF), the link between economic growth and poverty reduction needs to be strengthened. Abundant natural resources, the gradual widening of free trade areas throughout the Americas, an advantageous location, and an increasingly stable political situation in the region led to a three-year run of strong economic growth. Nonetheless, the 2008 financial crisis — triggered by the sub-prime mortgage crisis — has impacted Latin American, due to the proximity of the US, while tourist revenues in the Caribbean will show a downward trend. In 2009, growth in the region will slow to between 2% and 2.5%, down from 4.5% in 2008.

Between late-2007 and mid-2008, global food shortages dealt a serious blow to Haiti and Nicaragua, and grain production in these two countries was stepped up accordingly. Caribbean nations – characterized by their “small island” economies – need to improve their cost structures for transport, logistics, taxes and tariffs in order to strengthen regional food production clusters. Generally speaking, Latin American nations have enjoyed greater stability and output in agriculture than Caribbean nations, so that the TaiwanICDF has been in a position to promote agribusiness, diversification in production, and import substitution, wherever necessary.

In this context, many TaiwanICDF projects throughout Latin America and the Caribbean have sought to foster regional integration and closer ties to the global economy. Believing that education is a means to eliminate economic and society inequality, the TaiwanICDF has supported technological and vocational education and training to bolster the quality of the workforce, cooperated with the Central American Bank for Economic Integration (CABEI) in providing student loans for vocational education, and provided scholarships to students who wish to study in Taiwan. The organization has jointly established the Specialized Financial Intermediary Development Fund with the Inter-American Development Bank (IDB), which promotes private sector development, and seeks to improve the quality of financial services by creating an environment hospitable to the growth of MSMEs. Meanwhile, workshops have been conducted on trade facilitation to promote agricultural upgrading and industrial diversification, and an Industrial Technology Cooperation Project has been executed in order to boost trade in the Dominican Republic. Finally, ICT Development Cooperation Projects have been implemented in four Caribbean nations, and a DOC has been established in Guatemala. Collectively, these actions are helping to raise the ICT capacity of both the public and private sectors, reduce the digital divide, and accelerate economic and social development.

Central and Eastern Europe; Central Asia

In recent years, Central and Eastern European and Central Asian financial systems have transitioned from planned economies to free market economies. The region is home to abundant natural resources, and with strong overseas demand for these commodities, economic

growth has been quite strong. However, many of these nations have suffered the full impact of the global slowdown, mainly because of the region’s increased integration with the global economy. The majority of commercial banks in Central and Southeastern Europe are branches of Western European financial institutions, so the fortunes of the region have tracked the crisis that swept the banking sector in Western Europe. Even countries with relatively low exposure are under pressure due to a decreased demand for exports, and because remittances from overseas nationals are declining. According to forecasts from the European Bank for Reconstruction and Development (EBRD), economic growth in the region hit 6.3% in 2008, but will slow to 3% in 2009.

Challenges facing the region include a widening income gap, which is erasing previous achievements in reducing poverty, and could prove to be an obstacle to future growth and development. The private sector was previously instrumental in stimulating trade, yet the region is now stifled by higher risks and a lack of liquidity. Many companies’ sources of funding have dried up as financial institutions take corrective action toward the wider downturn; similarly, commercial banks have needed financial support to maintain their capital base, in order to provide continued support to the economy, and particularly to small- and medium-sized enterprises (SMEs). All of these factors are clouding medium- and long-term prospects for economic development in the region.

Statistics from the EBRD over the past several months indicate a 50-100% rise in demand for funds under its trade facilitation programs. As the private sector is the primary engine driving growth in these transitioning nations, the TaiwanICDF’s main strategies for the region have centered on providing assistance for MSME development. To this end, the organization and like-minded parties have cooperated on two co-investment projects with the EBRD: the Financial Intermediary Investment Special Fund (FIISF), which supports MSME development in the region; and the FIISF—Trade Facilitation Programme (FIISF—TFP), which provides guarantees for trade transactions. This is helping to bolster liquidity and foster the expansion of trade, ensuring that trade activities among emerging industries in the region continue without interruption.



Case Study

Turning to Microfinance to Strengthen Private Sector Competitiveness

The use of microfinance as a tool for development began to emerge in the 1970s, providing microcredit to borrowers who had difficulty in offering collateral and had no access to formal financial services. The practice has proven to be successful in helping MSMEs to help themselves, and as a result, microfinancing has been praised by many international organizations and NGOs as a means to fight poverty. In recent years, and thanks to the capital and technical assistance contributed by international organizations, microfinance institutions (MFIs) have grown to become an important part of the formal financial system in many developing countries.

In past decades, former Eastern Bloc nations consisted of planned economies that focused on the development of large-scale, state-owned companies. Accordingly, the macro-economic climate was not friendly to MSMEs, and few resources were directed toward the development of the private sector. With its mission to assist the region in transitioning toward a market-oriented economy, the EBRD was well aware that overturning the chronic weaknesses of the banking and private sectors of these nations would be crucial to bolstering economic activity. As such, the EBRD sought to promote privatization and direct investment in local financial institutions and companies, which, when coupled with technical cooperation and professional consultancy, would help to strengthen the quality of the institutions, and their workforce.

In 1998, the TaiwanICDF and the EBRD jointly established the FIISF. The primary purpose was to increase the regional distribution of MSMEs, while a secondary purpose aimed to provide funding to well managed state-owned enterprises, or newly privatized companies. In 2005, the Small Business

Account (FIISF—SBA) was established under the FIISF, intending to inject more funding into the financial system, and remains a source of capital for re-lending to MSMEs across Central and Eastern Europe, and Central Asia. The following year, the EBRD and the TaiwanICDF expanded their cooperation further, by introducing the FIISF—TFP, again within the framework of the FIISF. This program helps to stimulate import and export trade by providing credit guarantees for cross-border transactions, and has increased both intra- and extra-regional trade, helping to breathe new life into the development of the private sector.

2008 marked the maturity of the 10-year FIISF program, and results have been exemplary. For instance, the FIISF and FIISF—SBA have both provided loans to Georgia’s ProCredit Bank, which were re-lent to domestic entrepreneurs and enterprises. When the FIISF made its first disbursement in 2003, the bank only had 16 branches, and its loan portfolio stood at US\$42.75 million, with a default rate of 3%. By June 2008, the bank had expanded to become a prominent high street institution running 36 branches. Its loan portfolio had increased to US\$165 million, yet the default rate had been maintained at 3%. Moreover, Fitch assigned the bank a rating of B+, making it the financial institution with the highest credit rating in Georgia.

The TaiwanICDF and the EBRD have fostered a strong working relationship throughout the course of managing this special fund. Given the success of the FIISF over its first 10 years, the TaiwanICDF is confident that by extending the FIISF through a new Small Business Account II, MSMEs across Central and Eastern Europe, and Central Asia, will continue to flourish in future.



Case Study

Cooperation with Mercy Corps in Providing Emergency Assistance

The TaiwanICDF and Mercy Corps established the Rapid Response Fund in 2005, providing emergency humanitarian assistance to people in countries affected by natural disasters, wars, and ethnic conflict. In order to leverage the strengths of each organization in providing humanitarian relief, the two parties organized an operational model split by specialty and experience. It was agreed that after Mercy Corps had delivered immediate emergency relief, the TaiwanICDF would provide technical assistance in agriculture, aquaculture, and SME development, so that the short-term results of humanitarian assistance would be augmented by a longer-term focus on reconstruction and recovery.

Emergency Response to Post-election Violence and Displacement in Kenya

Major civil unrest broke out following the Kenyan presidential elections in December 2007, and by February 2008, over 300,000 internally displaced persons had been left homeless. Worse still, violence was worst in Kenya's main region for agriculture production, the Rift Valley, which prompted Mercy Corps to mobilize plans to resume farming activities in three administrative zones in the area. The intention was to attract people back to their land by the beginning of the next planting season, so that Kenya would avoid the famines being predicted by many analysts.

In addition to funding from the TaiwanICDF, this project enjoyed the support and cooperation of the humanitarian organization GOAL, the Kenyan Red Cross, the Kenyan Ministry of Agriculture, the Rift Valley Department of Agricultural, Baraka Agricultural College, and the Kenya National Federation of Agricultural Producers. Operations covered the rental of farming

equipment to assist displaced farmers to return to the area and prepare the land; the distribution of seeds, seedlings, fertilizer and related equipment; and the provision of simple mattresses, blankets for infants, soap, and other necessities.

Responding to Natural Disaster in Myanmar

When Cyclone Nargis swept through Myanmar on March 2, 2008, the human toll was overwhelming: an estimated 130,000 dead, and nearly 2.4 million people left with their livelihoods in ruins. Given the success of its cooperative project in Kenya, Mercy Corps resolved to address the severe reduction in farming resources and oxen by providing plowing machinery, fuel, rice seed and fertilizer to the villagers of Labutta in the Irrawaddy Delta, and renew an area that had borne the brunt of the devastation.

Under Mercy Corps' direction, TaiwanICDF funding was matched by cooperation from Merlin, the British humanitarian relief organization, the UK Department for International Development, and the European Commission Humanitarian Aid department. The objective was to restore 70% of farmland around Labutta and neighboring Dedaye to a workable condition.

Success in Kenya and Myanmar has demonstrated how the TaiwanICDF's humanitarian assistance operations can be complemented by its wider development operations. These examples will serve as a standard model for its work in future, so that in moments of great misfortune, the organization can minimize the harm and suffering experienced by some of the world's most vulnerable people.

Core Operations in 2008

- **Increasing Grain Production:** Five overseas technical missions – in Haiti, Nicaragua, Burkina Faso, The Gambia and Swaziland – revised ongoing projects to place an emphasis on a rapid increase in agricultural productivity. This adjustment was made in response to global food shortages and the resulting need to guarantee food security. An extra 29,150 tons of grain were produced thanks to these enhanced projects.
- **Reducing the Digital Divide:** Efforts in Latin American nations have concentrated on upgrading ICT applications in schools and SMEs. Having previously emphasized the creation of ICT centers, the TaiwanICDF has amended its focus toward assisting governments to computerize. In the future, the organization will promote e-commerce.
- **Diversifying the Services of MMMs:** The organization strengthened technical cooperation and exchange, dispatched missions by specialists in various fields of medicine, and introduced resources for public health education.
- **Training for Human Resources:** The TaiwanICDF has provided assistance to support formal education systems at a primary, secondary and tertiary level, and conducted projects within non-formal education systems, such as vocational training and workshops. Consultancy, technical cooperation and loan projects all have an influence on this area of work. Consultation offers suggestions as to how vocational training links with industrial development, while vocational training and workshops cultivate human resources. In addition, teacher training and the development of curriculums have improved learning environments, and scholarships and student loans have increased access to education.
- **Enhancing Private Sector Competitiveness:** Lending and technical assistance has been provided to secure a sound and modern financial environment, and boost management capacity within the private sector, in order to encourage foreign direct investment and enable enterprises to take root and flourish.
- **Supporting Environmental Sustainability:** Technical advisors and environmental protection volunteers have carried out small-scale solar energy, renewable energy and waste reduction pilot projects. Furthermore, GIS continues to be employed to assist partner countries to manage natural disasters, and to engage in large-scale agricultural planning.
- **Echoing Aid for Trade Trends:** At a local level, the TaiwanICDF is helping farmers to establish agribusiness capacity; at a national level, partner nations are receiving assistance on building the regulatory frameworks required for access to export markets. The organization has also provided credit guarantees through multilateral trade facilitation projects.
- **Strengthening Cooperative Partnerships:** The TaiwanICDF regularly cooperates with international organizations and NGOs in a wide variety of work, including humanitarian assistance, co-financing, and technical assistance; and by co-sponsoring regional seminars and workshops.