



Page 2: ABOUT YOU

Q1

Respondent

The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu

Q2

About you

Name

Position

Organization

Email Address

Phone Number

Page 3: SECTION A: DEVELOPMENT COOPERATION PRIORITIES

Q3

Yes

Do you have development cooperation strategy(ies) or policy(ies)?

Page 4: SECTION A: DEVELOPMENT COOPERATION PRIORITIES

Q4

If yes, does your development cooperation strategy(ies) or policy(ies) include trade priorities? Explanatory notes: For example, the UK's policy paper on international development published in May 2022 states that the UK will support countries to increase their exports, increase trade with the UK, build sustainable and resilient global supply chains that benefit all, and tackle market distorting practices and economic policies. The policy paper outlines various ways in which these trade priorities will be advanced.

Yes,

If yes, please provide further details including hyperlinks to relevant documents containing trade priorities.:

For more information, see the 2030 Strategic Plan:

[https://www.icdf.org.tw/wSite/ct?](https://www.icdf.org.tw/wSite/ct?xltem=8112&ctNode=31520&mp=2)

[xltem=8112&ctNode=31520&mp=2](https://www.icdf.org.tw/wSite/ct?xltem=8112&ctNode=31520&mp=2)

Page 5: SECTION A: DEVELOPMENT COOPERATION PRIORITIES

Q5

Yes

Does your development cooperation strategy(ies) or policy(ies) have a thematic focus?

Page 6: SECTION A: DEVELOPMENT COOPERATION PRIORITIES

Q6

If yes, please choose options from the non-exhaustive list of thematic options of key strategic objectives below. (If an objective(s) do not appear in the drop-down list, please tick other and add details in the text box. Please tick all relevant boxes.)

DEVELOPMENT WITH SPECIFIC ECONOMIC CHARACTERISTICS:

- '
- Economic diversification,**
- Export diversification,**
- Expansion of the agriculture sector,**
- Expansion of the fisheries sector,**
- Expansion of the services sector,**
- Expansion of the digital economy,**
- Infrastructure development,**
- Innovation and technological development,**
- Expansion of the MSME sector,**
- Expansion of public-private partnerships,**
- Human capital development (e.g. education through skills, training and health)**
- '
- Higher labour productivity,**
- Employment creation,**
- Women's economic empowerment and gender equality**
- '
- Youth employment and skills,**
- Inclusive growth, including (historically) disadvantaged groups (e.g. including people with disabilities).**
- '
- Institutional strengthening (e.g. good governance, transparency and accountability)**
- '
- Social protection,**
- Promotion of peace/security and development,**
- Climate change adaptation,**
- Protection of biodiversity,**
- Environmental protection,**
- Sustainable resource management,**
- Waste management and pollution control,**
- Circular economy,**
- Improved environmental governance,**
- Oceans and blue economy,**
- Food security,**

DEVELOPMENT WITH SPECIFIC SOCIAL CHARACTERISTICS:

Climate change mitigation,

DEVELOPMENT WITH SPECIFIC ENVIRONMENTAL CHARACTERISTICS:

Additional information on thematic issues::

For more information, visit:

<https://www.icdf.org.tw/wSite/lp?>

[ctNode=31610&CtUnit=191&BaseDSD=7&mp=2](https://www.icdf.org.tw/wSite/lp?ctNode=31610&CtUnit=191&BaseDSD=7&mp=2)

Page 7: SECTION A: DEVELOPMENT COOPERATION PRIORITIES

Q7

Yes

Do the trade priorities found in your development plan or strategy include partner country specific development objectives or targets ? Explanatory notes: For example, the International Trade Centre's Strategic Plan for the period 2022-2025 contains several targets, including: to support 75,000 micro, small and medium sized enterprises, 1,200 business support organizations and develop at least 400 trade-related policies, strategies and regulations (depending on the level of funding received).

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Q8

Other targets (e.g. digital connectivity, gender equality, renewable energy, circular economy etc.)

If yes, choose options from the non-exhaustive list of options of key strategic objectives found in your development strategies/plans.(If an objective(s) or target* do not appear in the list below, please tick other and add details in the text box. Please tick relevant boxes).

Additional information on key strategic objectives::

Our objectives encompass agriculture, food security, employment creation, women's economic empowerment and gender equality, and the service sector. For more information, see the 2030 Strategic Plan:

<https://www.icdf.org.tw/wSite/ct?>

[xltem=8112&ctNode=31520&mp=2](https://www.icdf.org.tw/wSite/ct?xltem=8112&ctNode=31520&mp=2)

Page 9: SECTION B: TRADE PRIORITIES IN OTHER DEVELOPMENT CO-OPERATION STRATEGIES

Q9

Do you have a separate trade and development policy or strategy (e.g. an Aid for Trade strategy) ?Explanatory notes: For example, the European Union published an updated Aid-for-Trade strategy in 2017 and has published annual progress reports on the strategy's implementation.

No,

Additional information on the presence of a separate trade and development policy or strategy, such as an Aid for Trade strategy:If yes, please provide further details, including dates the strategy covers and hyperlinks to relevant documents.If no, please indicate if there is another development cooperation strategy or policy that includes trade targets (e.g. a multiyear strategic plan issued by a development finance institution).: For more information, see our page on small and medium-sized enterprises: <https://www.icdf.org.tw/wSite/ct?xItem=63749&ctNode=31540&mp=2>

Page 10: SECTION B: TRADE PRIORITIES IN OTHER DEVELOPMENT CO-OPERATION STRATEGIES

Q10

Do the priorities, themes and sectoral objectives found in your Aid-for-Trade programming align with the trade priorities found in your development strategy(ies)?

Yes, in part

Page 11: SECTION B: TRADE PRIORITIES IN OTHER DEVELOPMENT CO-OPERATION STRATEGIES

Q11

Does your development cooperation policy or Aid-for-Trade strategy include objectives or targets for partner countries?

Yes

Q12

If yes, please tick relevant boxes and provide further details, including hyperlinks to relevant documents. If no, please indicate in the text box under the question choices whether there is another trade and development cooperation strategy or policy that includes specific objectives or targets.

OBJECTIVES;

Increased competitiveness,

Expansion of agricultural exports,

Expansion of exports of fishery products,

Expansion of e-commerce and/or digitally delivered services exports

,

Expansion of MSME sector exports,

Improvements in trade facilitation,

Climate change related objectives (e.g. reduction in emissions associated with trade)

,

Access to essential goods,

MSME sector growth targets,

Better export performance,

TARGETS*;

Additional information on objectives or targets for partner countries included in your development cooperation policy or Aid-for-Trade strategy. Please include hyperlinks to relevant documents::

1. Taiwan - CABI Partnership Trust Fund:

[https://www.bcie.org/en/member-countries/non-regional/republic-of-china-taiwan?](https://www.bcie.org/en/member-countries/non-regional/republic-of-china-taiwan?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=6643&cHash=c6c5b70a811320133ed5f913a357466f)

[tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=6643&cHash=c6c5b70a811320133ed5f913a357466f](https://www.bcie.org/en/member-countries/non-regional/republic-of-china-taiwan?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=6643&cHash=c6c5b70a811320133ed5f913a357466f) 2.

TaiwanBusiness - EBRD Technical Cooperation Fund:

<https://www.ebrd.com/who-we-are/donors/taipei-china.html>

3. APEC project funding sources:

<https://www.apec.org/projects/funding-sources>

Q13

Do you have targets in other development strategies that may have trade priorities or influence your Aid-for-Trade financing? Explanatory notes: For example, USAID's climate strategy for the period 2022-2030 includes six targets that have relevance for overall trade cooperation and development policy. These targets include: mitigating 6 billion tons of CO2 equivalent; conserving, restoring or managing 100 million hectares of natural ecosystems; enabling improved climate resilience for 500 million people; mobilizing USD 150 billion in public and private climate finance; supporting 80 countries; increasing equitable engagement with 40 country partnerships.

Yes,

Additional information on whether you have targets in other development strategies that may have trade priorities or influence your Aid-for-Trade financing::

Our aid strategy includes aid-for-trade:

[https://www.icdf.org.tw/wSite/ct?](https://www.icdf.org.tw/wSite/ct?xItem=8112&ctNode=31520&mp=2)

[xItem=8112&ctNode=31520&mp=2](https://www.icdf.org.tw/wSite/ct?xItem=8112&ctNode=31520&mp=2)

Q14**Yes**

Does your development cooperation or Aid-for-Trade strategy include sectoral objectives? Explanatory notes: For example, one sectoral focus of Korea's International Cooperation Agency development cooperation strategy is promoting the mainstreaming of science, technology and innovation in ODA projects by establishing its Science, Technology and Innovation Mid-Term Strategy (2021-2025). The goal to support inclusive growth based on science and technology by improving the innovation system of partner countries. Korea's strategy also focuses on education, health, governance, agriculture and rural development, energy, water, transportation, climate change and gender equality.

Page 13: SECTION C: SECTORAL AND REGIONAL OBJECTIVES

Q15

If yes, please tick relevant boxes and provide further details, including hyperlinks to relevant documents. If no, please indicate if there is another development cooperation strategy or policy that includes specific objectives or targets. (Please tick relevant boxes.)

Agriculture,
Fisheries,
Renewable energy,
MSME sector development,
Services (general),
Communication services, including ICT,
Education services,
Energy services,
Environment services,
Science, technology and innovation,
Transport services (air, land and maritime),
Cross-sectoral e-commerce and digital trade,

Additional information on sectoral objectives included in your development cooperation or Aid-for-Trade strategy::

1. Our aid strategy includes agriculture and the development of the MSME sector:

[https://www.icdf.org.tw/wSite/ct?](https://www.icdf.org.tw/wSite/ct?xItem=8112&ctNode=31520&mp=2)

2. Taiwan - CABI Partnership Trust Fund :

https://www.bcie.org/en/member-countries/non-regional/republic-of-china-taiwan?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontent%5D=News&tx_news_pi1%5Bnews%5D=6643&cHash=c6c5b70a811320133ed5f913a357466f 3.

TaiwanBusiness - EBRD Technical Cooperation Fund :

<https://www.ebrd.com/who-we-are/donors/taipei-china.html>

4. APEC project funding sources:

<https://www.apec.org/projects/funding-sources>

5. We are integrating the Taiwan Pathway to Net-Zero Emissions in 2050 into ODA projects. The goal is to enhance production efficiency in the agricultural, forestry, and fisheries sectors of partner countries, while concurrently addressing climate change.

Page 14: SECTION C: SECTORAL AND REGIONAL OBJECTIVES

Q16**Yes**

Does your development cooperation or Aid-for-Trade strategy include regional objectives? Explanatory notes: For example, the New Zealand's Aid Programme has a particular focus on the Pacific Islands region.

Page 15: SECTION C: SECTORAL AND REGIONAL OBJECTIVES

Q17

If yes, please identify the relevant economic community(ies):(Please tick relevant boxes.)

African Continental Free Trade Area (AfCFTA),
Association of Southeast Asian Nations (ASEAN),
Pacific Alliance,
Central American Integration System (SIECA),
Other (please specify),

Additional information on relevant economic communities::

Pacific Islands region; Central and Eastern Europe

Page 16: SECTION D: FINANCING TRADE AND DEVELOPMENT CO-OPERATION

Q18

Yes

Do you have priority areas in which you provide Aid-for-Trade support?

Page 17: SECTION D: FINANCING TRADE AND DEVELOPMENT CO-OPERATION

Q19

If yes, please identify the priority areas of Aid for Trade in which you are actively providing support*. (Please tick relevant boxes.)--* If you would like to indicate climate change related priorities, please tick related boxes below (e.g. energy supply and generation infrastructure) and add relevant notes in the text box. Likewise for gender equality, please tick the relevant boxes (e.g. trade development) and add a note in the comment box.

Trade facilitation,

Trade education/training,

TRADE DEVELOPMENT (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

,

Business support services,

Banking and financial services,

Building productive capacity,

Agriculture,

Forestry,

Fishing,

Digital trade and e-commerce,

TRADE POLICY AND REGULATIONS (Including training of trade officials, analysis of proposals and positions and their impact, support for stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to undertake trade reform/facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

,

Additional information on the priority areas of Aid for Trade in which you are actively providing support::

Our aid strategy includes agriculture and the development of the MSME sector: <https://www.icdf.org.tw/wSite/ct?xItem=8112&ctNode=31520&mp=2>

Q20

Which financing instruments do you use to implement your trade and development cooperation (i.e. Aid-for-Trade) priorities? For example, the Swiss economic development cooperation strategy for 2021-24 promotes innovative private-sector initiatives and the mobilisation of private resources. In this regard, the Swiss Investment Fund for Emerging Markets (SIFEM) is a central instrument and focuses on four business lines: access to finance (including fintech, MSMEs and gender), infrastructure financing, integration in value chains and corporate social responsibility. For example, Development Alliance Korea (DAK) is Korea's first and largest innovation Public-Private Partnership platform joined by government, the private sector, civil society, and academia, with aim of achieving Sustainable Development Goals (SDGs). Please provide information in the box below:

1. The TaiwanICDF is committed to women's economic empowerment. This is demonstrated in some of our ongoing projects:
 - 1.1 TaiwanICDF project entitled Assisting the Economic Empowerment of Women in Latin America and the Caribbean in the Post COVID-19 Era: This project provides technical assistance, training, financing, and credit guarantees in response to the COVID-19 pandemic, which had a significant impact on economic development in developing countries, particularly affecting vulnerable groups such as women, youth, and micro, small, and medium-sized enterprises (MSMEs). To help our diplomatic allies in Latin America and the Caribbean achieve economic recovery and social stability, we are assisting women and women-owned and women-led businesses with obtaining skills, knowledge, and financial support needed for their enterprises.
 - 1.2 The TaiwanICDF also leverages financing instruments to empower women at the grassroots level in Eswatini. These include direct microfinancing to Eswatini women as well as financing through the Central Bank of Eswatini's women's microfinance guarantee fund. These efforts are part of the Capacity Building Project for Microfinance Ecosystem Focusing on Grassroots Women in Eswatini.
2. The TaiwanICDF promotes trade through its projects targeting entrepreneurship and MSME development. Examples include:
 - 2.1 Facilitating the economic recovery of MSMEs in Belize by increasing their access to production-oriented finance from the Development Finance Corporation, the country's national development bank
 - 2.2 Facilitating the economic recovery of women and youth entrepreneurs as well as MSMEs in Palau by enhancing the lending capacity of the National Development Bank of Palau, a key private-sector lender
 - 2.3 Facilitating the economic recovery of MSEs in Paraguay by working with Fundación Paraguaya de Cooperación y Desarrollo to provide loans to businesses that receive technical assistance from the Ministry of Industry and Commerce. MSEs also receive tax serial numbers and customized terms and conditions to fit their needs.
3. Through offering a credit guarantee mechanism with international development financial institutions and financial institutions in partner countries, we support local financial institutions' provision of funds for women to start and operate businesses. We have cooperated with six international development financial institutions, nongovernmental organizations, and 52 countries.
4. We have been utilizing grants, loans, and technical assistance to implement development cooperation, please refer to the links below for further information:
 - 4.1 Taiwan - CABI Partnership Trust Fund: https://www.bcie.org/en/member-countries/non-regional/republic-of-china-taiwan?tx_news_pi1%5Baction%5D=detail&tx_news_pi1%5Bcontroller%5D=News&tx_news_pi1%5Bnews%5D=6643&cHash=c6c5b70a811320133ed5f913a357466f
 - 4.2 TaiwanBusiness - EBRD Technical Cooperation Fund: <https://www.ebrd.com/who-we-are/donors/taipei-china.html>
 - 4.3 APEC project funding sources: <https://www.apec.org/projects/funding-sources>

Q21

Is there a form of aid, finance or other financial assistance for trade that you are seeking to expand? If so, is there an accompanying strategy to leverage this source of finance? For example, the U.S. International Development Finance Corporation (DFC) is the newest U.S. government agency, launched in December 2019 with a mandate to partner with the private sector to finance solutions to the most critical challenges facing the developing world while advancing America's foreign policy goals abroad. The DFC offers loans, loan guarantees, equity investments, political risk insurance, technical assistance, and feasibility studies to drive significant amounts of private capital into challenging developing markets to address local needs.

Yes,

Additional information on forms of aid, finance, or other financial assistance for trade that you are seeking to expand, and on accompanying strategies to leverage finance::

We have increased the scale of investment financing with partner countries based on the effectiveness of aid-for-trade. At the same time, we have established public-private partnerships and cooperated with other international NGOs/NPOs to strengthen aid-for-trade. For example, the TaiwanICDF provides funds at concessional terms to cofinance target enterprises alongside multilateral development banks such as the Inter-American Development Bank and Central American Bank of Economic Integration. This is a key strategy that increases the effect of TaiwanICDF's investments.

Page 20: SECTION D: FINANCING TRADE AND DEVELOPMENT CO-OPERATION

Q22

What difficulties do you face in mobilizing financing to implement your Aid for Trade and development cooperation (i.e. Aid-for-Trade) objectives? (Please tick relevant boxes.)

High cost of borrowing,

Insufficiency of grant financing,

Weak financial systems,

Challenges engaging in public-private partnerships,

Limited ability to develop "bankable" projects,

Lack of coordination between development partners

Page 21: SECTION D: FINANCING TRADE AND DEVELOPMENT CO-OPERATION

Q23

Are you providing an increasing share of Aid for Trade in the form of loans and a declining share of grants?

No

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Q24

If yes, does this situation present a challenge for your partner countries?

Respondent skipped this question

Page 23: SECTION D: FINANCING TRADE AND DEVELOPMENT CO-OPERATION

Q25

Do you plan to stop providing Aid for Trade? Has a date been set to achieve this objective? (e.g. a date to stop providing foreign aid?)

No

Page 24: SECTION E: ALIGNMENT OF AID-FOR-TRADE SUPPORT

Q26**Mostly aligned**

How well aligned is the Aid-for-Trade support you provide with the trade priorities of partner countries and regional organizations?

Q27

What challenges do you encounter in aligning the Aid-for-Trade support you provide with the sectoral financing needs of partner countries and regional organizations? (Please tick relevant boxes.)

Difficulties associated with cross-sectoral approaches (e.g. e-commerce development)

Lack of donor coordination,

Limited knowledge of recipient (i.e. developing country) needs and economic situation

Conditions required by development partners to access support

Length of project/programme funding cycles,

Human capacity constraints to developing bankable projects

Lack of partner country ownership,

Weak institutional capacity (e.g. lack of coordination at domestic level)

Page 25: SECTION F: OUTCOMES AND IMPACTS OF AID-FOR-TRADE SUPPORT

Q28**Yes, for the development cooperation strategy**

Does your development cooperation strategy include a monitoring or results framework?

Q29

Do you align your monitoring and evaluations activities with the monitoring or results framework of partner countries?

Yes, with partners' development strategies,

Additional information on whether you align your monitoring and evaluation activities with the monitoring or results framework of partner countries::

All of our projects align with partner countries' national development policy goals. For more information, please visit our page on project planning principles:

[https://www.icdf.org.tw/wSite/ct?](https://www.icdf.org.tw/wSite/ct?xItem=8114&ctNode=31521&mp=2)

[xItem=8114&ctNode=31521&mp=2](https://www.icdf.org.tw/wSite/ct?xItem=8114&ctNode=31521&mp=2)

Q30**Yes**

Do you measure the impacts of the Aid-for-Trade support you provide?

Page 26: SECTION F: OUTCOMES AND IMPACTS OF AID-FOR-TRADE SUPPORT

Q31

If yes, where is Aid for Trade having a measurable impact in your opinion?(Please select relevant boxes.)

TRADE POLICY AND REGULATIONS (Including training of trade officials, analysis of proposals and positions and their impact, support for stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to undertake trade reform/facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

,

Trade facilitation,

Trade education/training,

TRADE DEVELOPMENT (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

,

Business support services,

Banking and financial services,

Building productive capacity,

Agriculture,

Digital trade and e-commerce,

TRADE RELATED ADJUSTMENT (Including supporting developing countries to put in place accompanying measures that assist them to benefit from liberalized trade)

Page 27: SECTION F: OUTCOMES AND IMPACTS OF AID-FOR-TRADE SUPPORT

Q32

Is there an Aid-for-Trade project or programme that you would like to highlight as an example of best practice?

Yes,

Additional information on Aid-for-Trade projects or programmes that you would like to highlight as examples of best practice::

MSEs relending project in Paraguay Corresponding UN Sustainable Development Goals: SDG 5, SDG 8 Project description: 1. Background: The TaiwanICDF partners with Fundación Paraguaya de Cooperación y Desarrollo to address the financing challenges faced by micro and small enterprises (MSEs) in Paraguay. The collaboration also increases the impact of a TaiwanICDF effort, the Project to Strengthen Capacity to Support Development of MSMEs. 2. Objective: To enhance financial inclusion in Paraguay by increasing MSEs' access to financial channels as a means to boost their competitiveness. 3. Implementation arrangement: Anticipating a global economic slowdown from the pandemic, the TaiwanICDF signed a loan agreement at concessional terms with Fundación Paraguaya de Cooperación y Desarrollo in October 2020. The foundation uses loan proceeds provided by the TaiwanICDF to relend to local women-led businesses and MSEs. In addition, all applicants are given tax serial numbers in accordance with Paraguay's national policy of encouraging MSE incorporation. The credit extended to MSEs includes working capital loans and fixed assets loans on customized credit terms. The foundation evaluates loan applications according to its credit policy and approval procedure. 4. Project output: To date, over 1,900 loans have been approved, nearly half of which were extended to women-owned enterprises.

Page 28: SECTION G: FUTURE AID-FOR-TRADE NEEDS

Q33

Do you foresee a continued need to provide Aid-for-Trade financing ?

Yes, to address some specific thematic objectives (e.g. sustainable development, climate transition, etc.)

Page 29: SECTION G: FUTURE AID-FOR-TRADE NEEDS

Q34

If yes, please identify the categories of Aid-for-Trade support in which you foresee future needs. (Please select relevant boxes.)

TRADE POLICY AND REGULATIONS (Including training of trade officials, analysis of proposals and positions and their impact, support for stakeholders to articulate commercial interest and identify trade-offs, dispute issues, institutional and technical support to undertake trade reform/facilitate implementation of trade agreements and to adapt to and comply with rules and standards)

,

Trade facilitation,

Trade education/training,

TRADE-RELATED INFRASTRUCTURE (Including physical infrastructure)

,

Transport and storage infrastructure (e.g. port, dry port, inland container port, inland container depot, etc.)

,

TRADE DEVELOPMENT (Including investment promotion, analysis and institutional support for trade in services, business support services and institutions, public-private sector networking, e-commerce, trade finance, trade promotion, market analysis and development)

,

Business support services,

Banking and financial services,

Building productive capacity,

Agriculture,

Travel and tourism,

Digital trade and e-commerce,

TRADE-RELATED ADJUSTMENT (Including supporting developing countries to put in place accompanying measures that assist them to benefit from liberalized trade)

,

OTHER TRADE RELATED NEEDS

Q35**Yes**

Do you foresee future need for Aid for Trade to support the achievement of trade-related aspects of the 2030 Sustainable Development Goals Agenda ?Explanatory notes: For example, the Government of Canada works with partners and stakeholders to advance the 2030 Agenda through concrete actions on the 17 Sustainable Development Goals (SDGs).

Page 31: SECTION G: FUTURE AID-FOR-TRADE NEEDS

Q36

If yes, please indicate which SDGs are referenced in your development cooperation or Aid-for-Trade strategy. (Please select relevant boxes.)

GOAL 1: No Poverty,**GOAL 2: Zero Hunger,****GOAL 3: Good Health and Well-being,****GOAL 4: Quality Education,****GOAL 7: Affordable and Clean Energy,****GOAL 8: Decent Work and Economic Growth,****GOAL 9: Industry, Innovation and Infrastructure,****GOAL 10: Reduced Inequality,****GOAL 11: Sustainable Cities and Communities,****GOAL 13: Climate Action,****GOAL 14: Life Below Water,****GOAL 17: Partnerships to achieve the Goal,****GOAL 5: Gender Equality**

Page 32: SECTION G: FUTURE AID-FOR-TRADE NEEDS

Q37

Do you foresee future needs for Aid-for-Trade to support the trade-related aspects of climate change ?

Yes,

Additional information on whether you anticipate future needs for Aid-for-Trade to support trade-related aspects of climate change::

We can see future needs associated with some of our current projects, such as the Special Fund for the High Impact Partnership on Climate Action. For this project, we partner with the EBRD to address investment needs and support policy solutions that reduce or prevent greenhouse gas emissions and protect the environment, enhance adaptive capacity, strengthen resilience, and reduce vulnerability to climate change. Moreover, we foresee a continued need from developing countries such as Belize, Guatemala, and Paraguay for investment in climate-resilient infrastructure that will spur trade. These improvements are necessary to reduce disaster risk, build climate-resilient societies, and strengthen disaster response.

2024 Aid for Trade

Case Study 1: Karawang Horticulture Development Project

Corresponding UN Sustainable Development Goals: SDG2, SDG8

Project description:

Since 2020, the TaiwanICDF has been working to expand farming income in Karawang, Indonesia. The project has encouraged farmers to switch from planting rice to high-value fruits and vegetables; promoted the development of cooperative, diversified marketing channels; and trained farmers in marketing and financing concepts.

In opening up a more diversified range of sales channels for small farmers, the development of export channels presented the greatest challenge and the highest threshold for entry. In order to export produce, cooperatives must become sound legal entities, meet importing countries' quarantine regulations, engage in international negotiations, standardize product and supply chain regulations, and be able to manage cash flow and financing. To address these tasks, the TaiwanICDF took advantage of its local social network and integrated resources from its market entry and fair-trade value chains. With this support, a cooperative was gradually able to register for commercial operations, conduct international market research, and identify suitable crops. Ultimately, this led to cooperation with exporters to run trial sales of small-scale agricultural products in Singaporean supermarkets.

The first exports launched were small packages of green asparagus, of which most were sold in Singapore's Prime Supermarket. Farmers received double the income as compared to the local market. Following up on this, the cooperative will continue to improve its supply chains and financing links so as to achieve its long-term operating goals. At the same time, the TaiwanICDF will continue to support smallholder farms, providing training on advanced production techniques and guiding cooperatives to stabilize product supply and quality while encouraging them to diversify their trading partners.

Case Study 2: Regional Project for the Prevention and Control of Fusarium TR4 of Banana in Central America

Corresponding UN Sustainable Development Goals: SDG 2, SDG 17

Project description:

Bananas are a significant export crop that provide ample employment opportunities in Central America. For example, Guatemala is the world's third-largest banana-exporting nation, shipping around 10 percent of global sales. Its banana industry employs around 300,000 people and cultivates 74,000 hectares of the crop, with an annual production of approximately 4.27 million metric tons and export revenues of US\$1.06 billion. Similarly, Belize's banana industry generates approximately US\$40 million in export revenue, primarily from sales in European countries like the United Kingdom, Spain, and Ireland. Bananas account for 20 percent of Belize's agricultural output and serve as a stable source of foreign exchange.

However, the cultivation of single crops over large areas can lead to significant losses following an outbreak of disease. In the 1950s, the fungus *Fusarium oxysporum f. sp. cubense tropical race 1* (Foc TR1) caused a large-scale epidemic in Latin America, leading to the disappearance of the then-dominant Gros Michel variety from the market. This forced banana farmers in Latin America to switch to disease-resistant Cavendish varieties. However, the pathogen has continued to evolve and a fourth strain of *Fusarium* (Foc TR4) has been discovered in South America in recent years. This strain also infects Cavendish bananas, which account for 99 percent of all banana production. The fungus enters the plant through the stem base before attacking the vascular system, affecting the transport of water and organic materials. This causes yellowing and wilting, resulting in small-sized bananas or no bananas at all, and ultimately the death of the plant. Due to *Fusarium*'s rapid spread, the spore's ability to survive decades in the soil, and farmers' inability to control systemic infections, the only solution after an outbreak is to abandon affected plantations. The disease has thus become known as "banana cancer."

We are the first country to have reported on Foc TR4 in the scientific literature. Over the years, we have developed research and accumulated experience in cultivating Foc TR4-resistant banana

varieties, producing healthy seedlings, detecting pathogens, and preventing the spread of the disease.

Through the Regional Project for the Prevention and Control of Fusarium TR4 of Banana in Central America, the TaiwanICDF is now leveraging its unique strengths in collaboration with the International Regional Organization for Plant and Animal Health (Organismo Internacional Regional de Sanidad Agropecuaria, OIRSA). The project has five goals: (1) establish detection and diagnostic techniques for Foc TR4 and other major banana diseases; (2) organize regional forums and conduct epidemic preparedness training to enhance disease awareness and response capabilities; (3) train farmers to identify and manage plant diseases in the field; (4) introduce the Taiwan-developed disease-resistant banana variety Formosana and promote the production of healthy seedlings; and (5) establish an early warning system using satellite technology, which will monitor approximately 3,700 hectares of banana plantations in Guatemala and Belize.

Through its efforts to control Foc TR4 in the region, the TaiwanICDF is helping friends and allies in Central America establish defenses against plant disease outbreaks. This not only ensures that they can continue to produce cash crops but also helps them avoid import bans or restrictions stemming from plant disease control measures. In this way, the TaiwanICDF is protecting the economies and agricultural sectors of Central American countries from disruption.

Case Study 3: MSEs Relending project (Paraguay)

Corresponding UN Sustainable Development Goals: SDG 5, SDG 8

Project description:

1. **Background:** The TaiwanICDF partners with Fundación Paraguaya de Cooperación y Desarrollo to address the financing challenges faced by micro and small enterprises (MSEs) in Paraguay. The collaboration also increases the impact of a TaiwanICDF effort, the Project to Strengthen Capacity to Support Development of MSMEs.
2. **Objective:** To enhance financial inclusion in Paraguay by increasing MSEs' access to financial channels as a means to boost their competitiveness.
3. **Implementation arrangement:** Anticipating a global economic slowdown from the pandemic, the TaiwanICDF signed a loan agreement at concessional terms with Fundación Paraguaya de Cooperación y Desarrollo in October 2020. The foundation uses loan proceeds provided by the TaiwanICDF to relend to local women-led businesses and MSEs. In addition, all applicants are given tax serial numbers in accordance with Paraguay's national policy of encouraging MSE incorporation. The credit extended to MSEs includes working capital loans and fixed assets loans on customized credit terms. The foundation evaluates loan applications according to its credit policy and approval procedure.
4. **Project output:** To date, over 1,900 loans have been approved, nearly half of which were extended to women-owned enterprises.