

Introduction to Taiwan's Official Development Assistance

The New Southbound Policy is a crucial part of Taiwan's international economic and trade strategy in light of increasing regional economic integration trends as well as new challenges and business opportunities linked to such trends. Taiwan is an integral member of the Asia-Pacific family and has participated extensively in the global value chains of popular technological products. Thus, Taiwan is keen to share its experience and know-how in this field as well as in other areas, such as infrastructure development.

Infrastructure, plays a significant and critical role in the course of a country's economic development. Without investment in infrastructure, it is hardly possible for a country to realize the goal of long-lasting, sustainable, balanced and inclusive development. In recognizing such importance, Taiwan is willing to forge new partnerships with Southeast Asian countries and cooperate on infrastructure projects, thereby enabling those countries to create effective demand, enhance economic momentum, promote balanced regional development, and improve people's welfare.

Over the past decades, Taiwan has completed certain world-famous and prominent construction projects by utilizing innovative, cutting-edge engineering and technology. Some of these renowned projects include the Taiwan High Speed Rail, which won the 2016 ITS World Congress Hall of Fame Industry Award in recognition of its smart transportation; Hsuehshan Tunnel, the 9th longest roadway tunnel in the world (approx. 13 km), which was accomplished by Taiwanese experts and engineers; and Taipei 101, which was the first building to exceed 500 meters in height and the world's tallest building from 2004 to 2010.

Based on the aforementioned construction performances, Taiwan is ready and willing to share its experiences and expertise in infrastructure and system integration services. In this regard, if partner countries need financing for their infrastructure projects, Taiwan is able to render its Official Development Assistance (ODA) plan in support of such projects.

In accordance with Taiwan's ODA plan, which references Japanese and South Korean practices, we will first consult with partner countries on potential infrastructure project and make sure the project will be guaranteed by the central government of the partner country. Once consensus on specific infrastructure project has been reached, Taiwan's lending banks will sign low-interest loan agreement with the partner country. Then, the "Guidelines for Procurement under Taiwanese ODA Loan" will be provided to the partner country for reference to ensure that Taiwanese

contractors win the bid on infrastructure projects in a fair, equitable, and transparent way. Finally, when the construction is completed, payment will be made to the contractors by Taiwan's lending banks.

It is hoped that New Southbound Policy partner countries may enjoy high-quality and value-for-money infrastructure through Taiwan's ODA. As such, Taiwan is committed to sharing its experiences on successful economic and industrial development, while supporting the elevation of living standards and people's welfare in partner countries. If more information is needed, please contact the Taiwan representative office in your country for consultation.