



CABEI



Central American
Bank for
Economic
Integration

2022

ANNUAL REPORT

KOREA-CABEI PARTNERSHIP
SINGLE DONOR TRUST FUND

An aerial photograph of a region showing a mix of urban, natural, and infrastructure elements. In the foreground, there's a large array of blue solar panels. A winding river flows through the middle ground, bordered by green grass and trees. To the right, a multi-lane road with a roundabout interchange is visible. In the background, a residential or commercial area with several buildings is seen under a hazy sky.

BRIDGING COOPERATION IN THE REGION

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MESSAGE FROM CABEI



In 2022, the Bank demonstrated resilience amidst ongoing global economic uncertainty by assuming its role as a financing guarantor for the development of member countries. This was evident through the approval of US\$4.30 billion and disbursement of US\$2.16 billion. These achievements could not have been accomplished without the valuable commitment and active support of the Republic of Korea (ROK) to Central America (CA) through its partnerships with CABEI.

In line with this, the Korea CABEI Partnership Single Donor Trust Fund (KTF) continued to facilitate the transfer of ROK's extensive development experience and cutting-edge technologies to the region. By fostering international cooperation, establishing new partnerships between the public and private sectors, and offering solutions through innovative pilots to address deeply rooted problems, the KTF was a valuable instrument for the CA region to continue achieving sustainable economic development. The Fund's work provided a sound foundation for scalable infrastructure projects in multiple sectors, future loan financing opportunities, and greater regional competitiveness.

KTF moved swiftly to advance positive interventions in beneficiary countries. Successful endeavors included supporting the development of hospital infrastructures, medical school curriculums, offshore wind capacity, public safety, public transportation, customs, and water supply systems.

As KTF concludes its third year, the Fund can point to an impressive and innovative track record in facilitating regional development, creating business opportunities, and serving as an important channel for knowledge transfer between ROK and CA. On behalf of the Bank and our member countries, we convey our appreciation to the Republic of Korea for its unwavering dedication and collaboration. We are eager to expand on this alliance in the upcoming year and beyond.

Rubén Méndez

Chief Financial Officer and KTF Secretariat

EXECUTIVE SUMMARY



Throughout 2022, KTF continued to harness the experience and development expertise of ROK to promote the deployment of innovative technologies and solutions in CABEI-beneficiary countries. As in previous years, technical cooperation initiatives ranged in scope, with the KTF assisting individual countries as well as the region. Pre-feasibility studies, feasibility studies, knowledge sharing, and the launching of pilot projects continued to be the hallmarks of this collaboration.

The KTF advocated for enhancing ties with external entities that could offer technical or financial support to complement CABEI programs, projects and activities aimed at addressing the priority needs of borrowing member countries. During the operational cycle of 2022, CABEI signed memoranda of understanding with the Republic of Korea's Ministry of Science and ICT (MSIT), Ministry of Oceans and Fisheries (MOF), Korea Overseas Infrastructure & Urban Development Corporation (KIND), and Korea Environmental Industry & Technology Institute (KEITI). Such partnerships enable the mobilization of additional bilateral technical assistance funds, boosting CABEI's competitiveness in facilitating project identification and preparation.

The KTF has also prioritized the provision of resources for the implementation of scalable pilot programs. As a follow up to the KTF's climate smart greenhouse pilot project in Costa Rica approved in 2021, the Integrated Public Safety Platform (IPSP) pilot was approved in December of 2022 for the Dominican Republic, with the aim of supporting citizen security and information sharing among public safety institutions in the Santiago province. These pilot projects epitomize the strategy of leveraging state-of-the-art Korean technologies to attain development objectives in the region.

In aggregate, the KTF portfolio expanded by twelve projects in 2022, which translated into the allocation of US \$6.87 million across seven sectors and six countries. The largest share of the total funding was approved for the Dominican Republic, accounting for 29.1%, trailed by El Salvador at 16.7% and Costa Rica at 16.3%. The remaining sums were distributed to Belize, Honduras, and Panama, which received 13.8%, 12.4%, and 8.7%, respectively. Regional initiatives were allocated 3% of the total budget.

Three sectors—Health, Public Safety, and Transportation—together received 73.1% of the total allocation, while Energy, Water & Sanitation each received 8.7%. In the area of Trade (9.5%), KTF spearheaded efforts to support the growth of trade volumes between ROK and its CA partners, as envisioned by the Korea-CA Free Trade Agreement (K-CAFTA), by facilitating technical cooperations and organizing the CABEI-ROK Free Trade Conference in Seoul.

Since 2020, KTF has provided more than US \$15 million for the preparation and execution of technical cooperation projects in CA. Through consultations and partnerships with CABEI, recipient countries, and MOEF, KTF will continuously identify viable and scalable projects that will strengthen institutions and enhance the well-being of people in the region.





ABBREVIATIONS

ROK	Republic of Korea
CA	Central America
CABEI	Central American Bank for Economic Integration
KTF	KOREA-CABEI Partnership Single Donor Trust Fund
TC	Technical Cooperation
MOEF	Ministry of Economy and Finance
KISA	Korea Internet Security Agency
NIPA	National IT Industry Promotion Agency
MSIT	Ministry of Science and ICT
KIND	Korea Infrastructure & Urban Development Corporation
ICT	Information & Communications Technology
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development

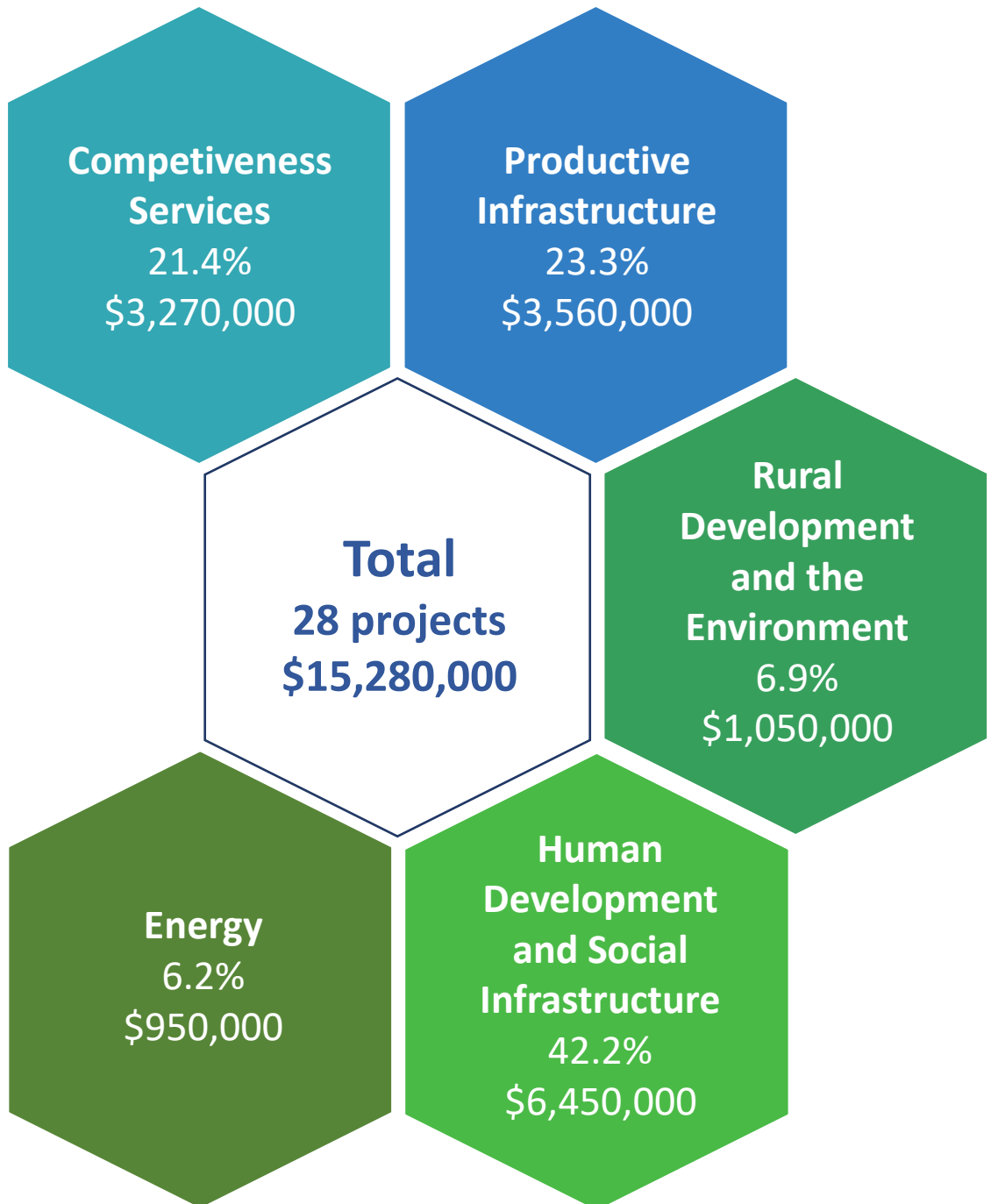
SECTION 1 KTF OPERATIONS



1.1 LIFE TO DATE RESULTS (2020-2022)

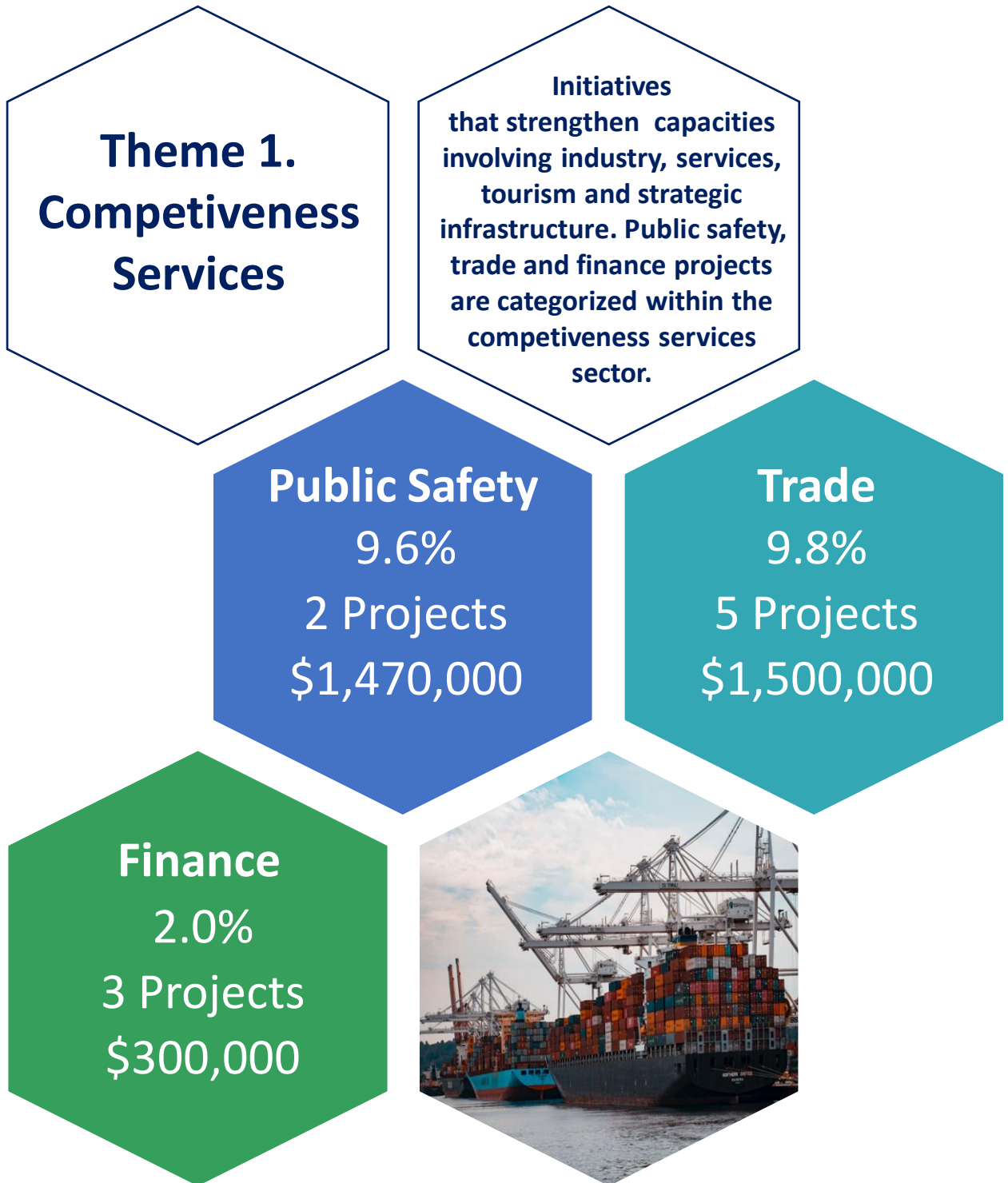
Theme Allocation of KTF Portfolio

CABEI classifies all projects into five (5) primary themes, encompassing a diverse array of sectors within each theme.



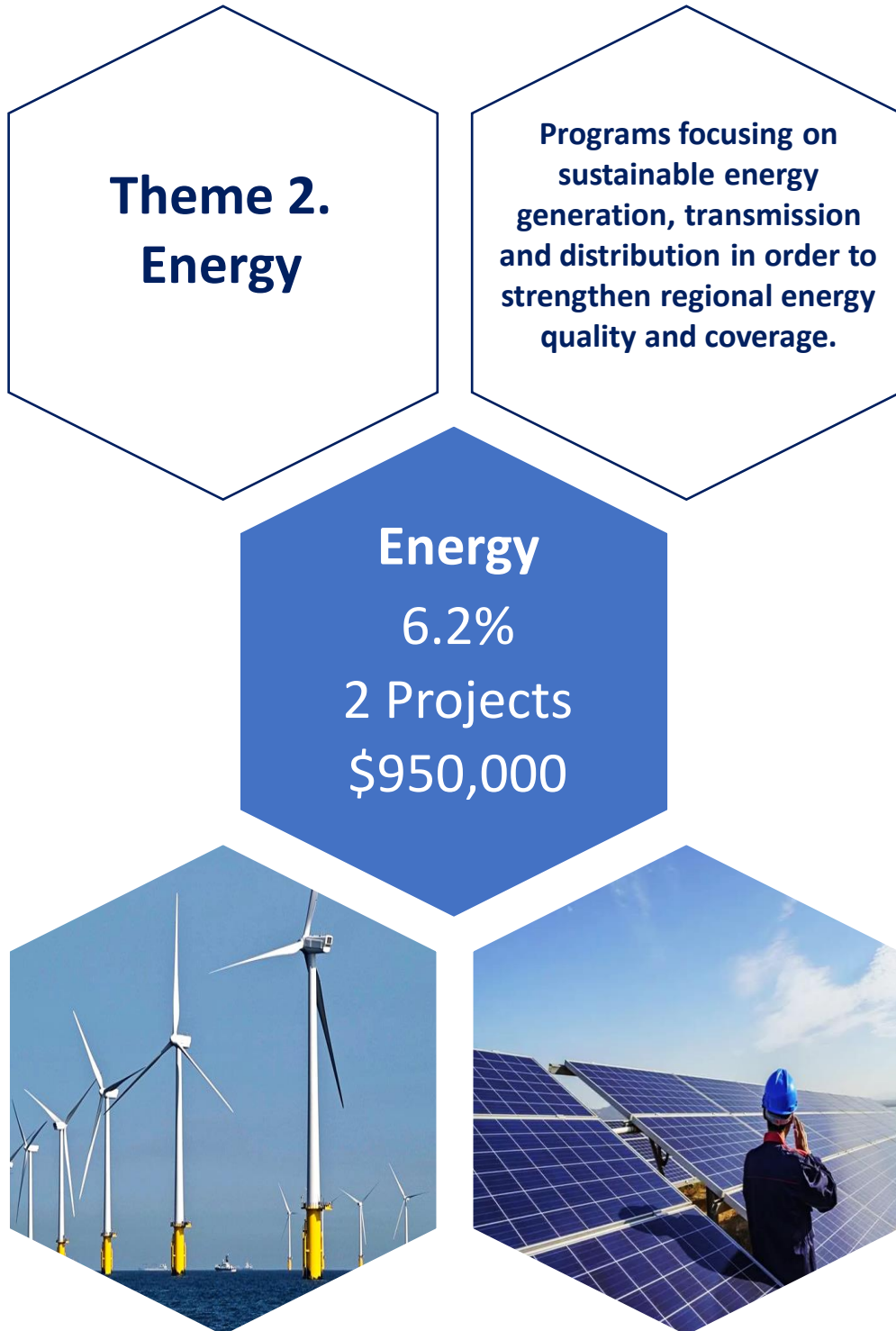
1.1 LIFE TO DATE RESULTS (2020-2022)

Theme and Sector Allocation of KTF Portfolio



1.1 LIFE TO DATE RESULTS (2020-2022)

Theme and Sector Allocation of KTF Portfolio



1.1 LIFE TO DATE RESULTS (2020-2022)

Theme and Sector Allocation of KTF Portfolio

Theme 3. Rural Development and the Environment

**Interventions
in favor of agricultural,
forestry and fishing
activities under a scheme
of rural development,
environmental
sustainability and
community strengthening.**

**Agriculture
4.6%
1 Project
\$700,000**

**Climate
Change
2.3%
1 Project
\$350,000**



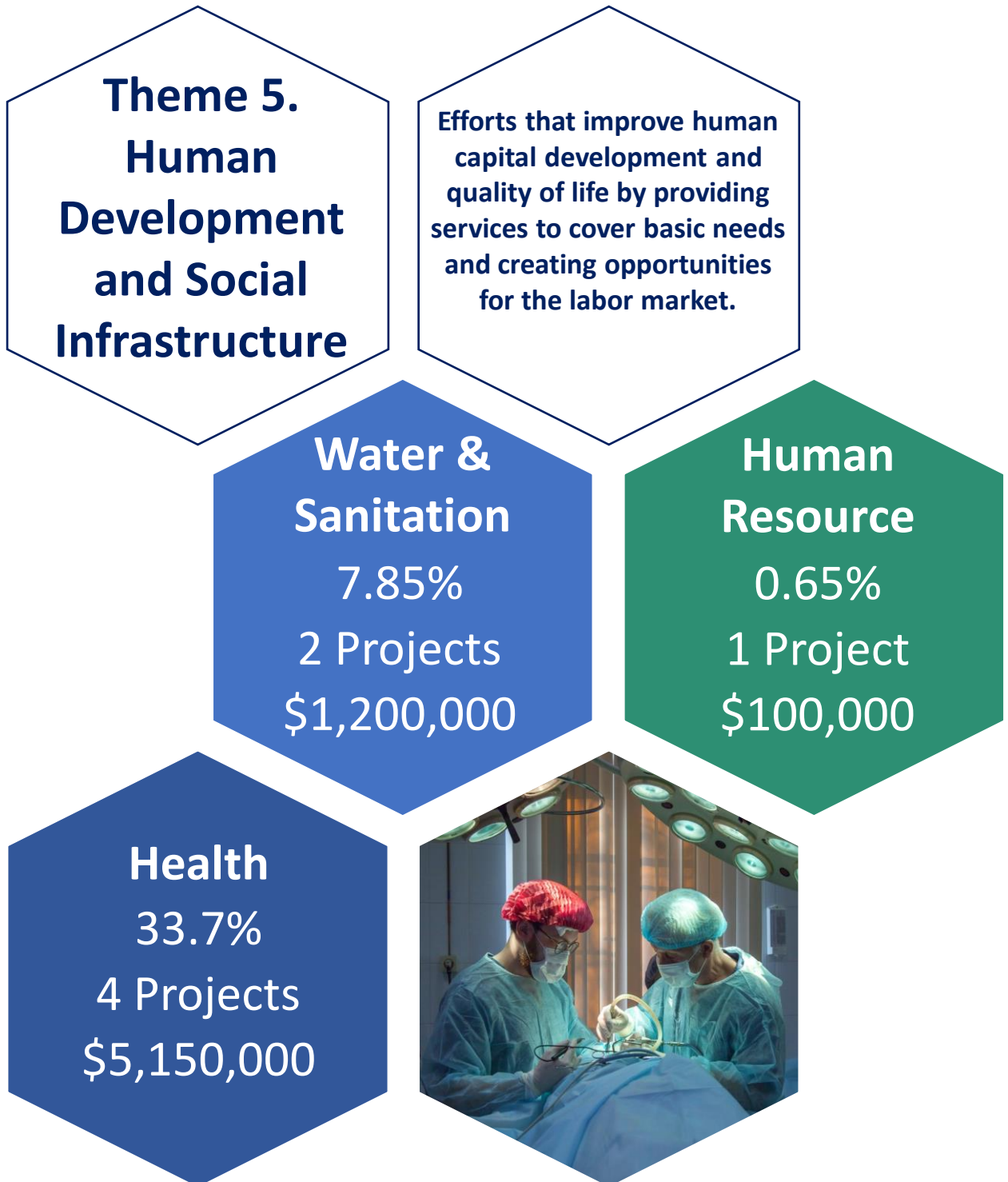
1.1 LIFE TO DATE RESULTS (2020-2022)

Theme and Sector Allocation of KTF Portfolio



1.1 LIFE TO DATE RESULTS (2020-2022)

Theme and Sector Allocation of KTF Portfolio

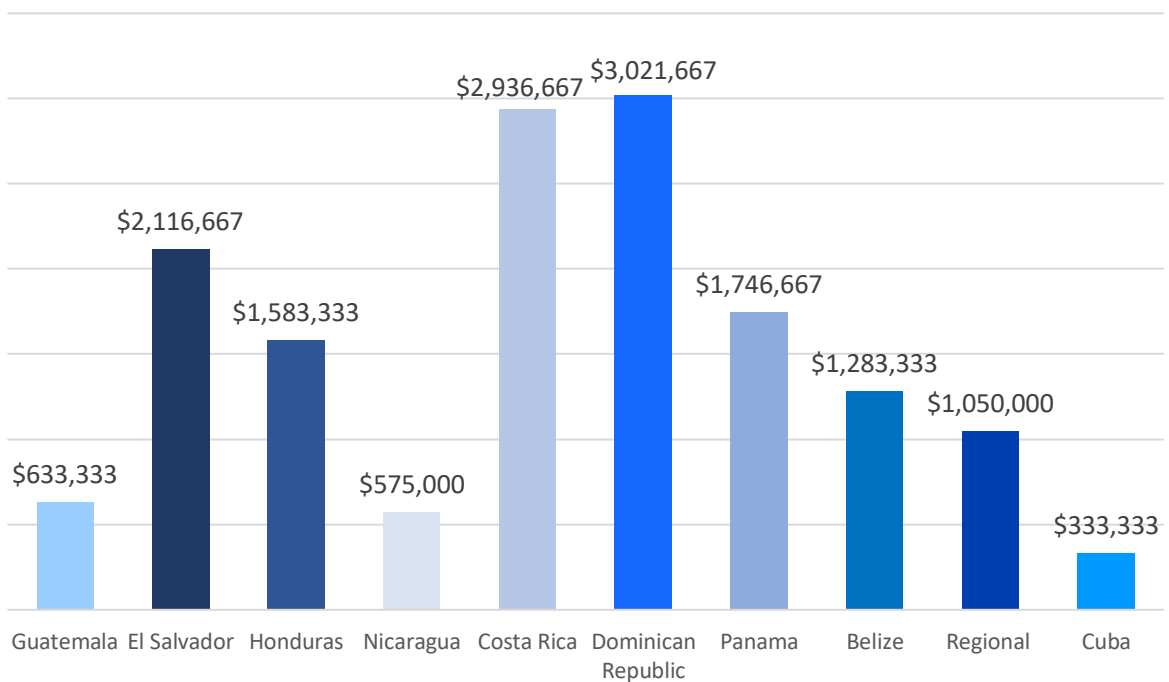


1.1 LIFE TO DATE RESULTS (2020-2022)

Number of TCs Allocated for Each Beneficiary Country



Budget Allocation per Country (Unit: USD)



1.2 YEAR 2022 AT A GLANCE

2022 Commitment

USD 6.87 M

USD 2.14 M

Technical Cooperations
Approved



12

Contracts Awarded to
Korean Companies



12

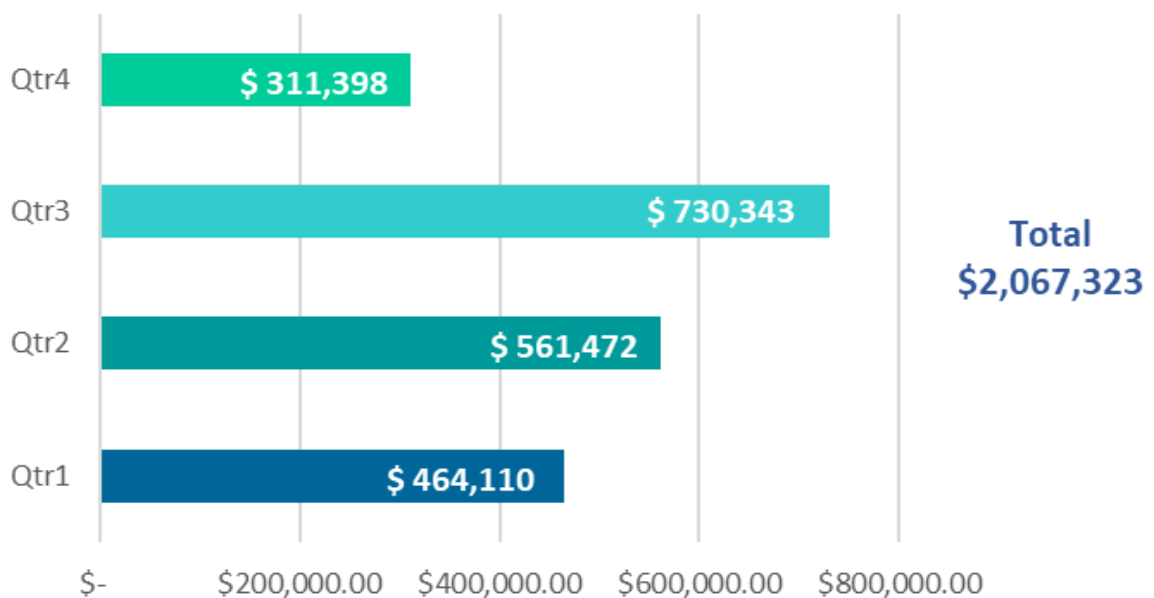
Technical Cooperations
Developed



Korean companies
awarded



2022 Disbursements



1.2 YEAR 2022 AT A GLANCE

Projects Approved by Sector



Health
26.2%



Transportation
25.5%



Public Safety
21.4%



Trade
9.5%



Water and Sanitation
8.7%

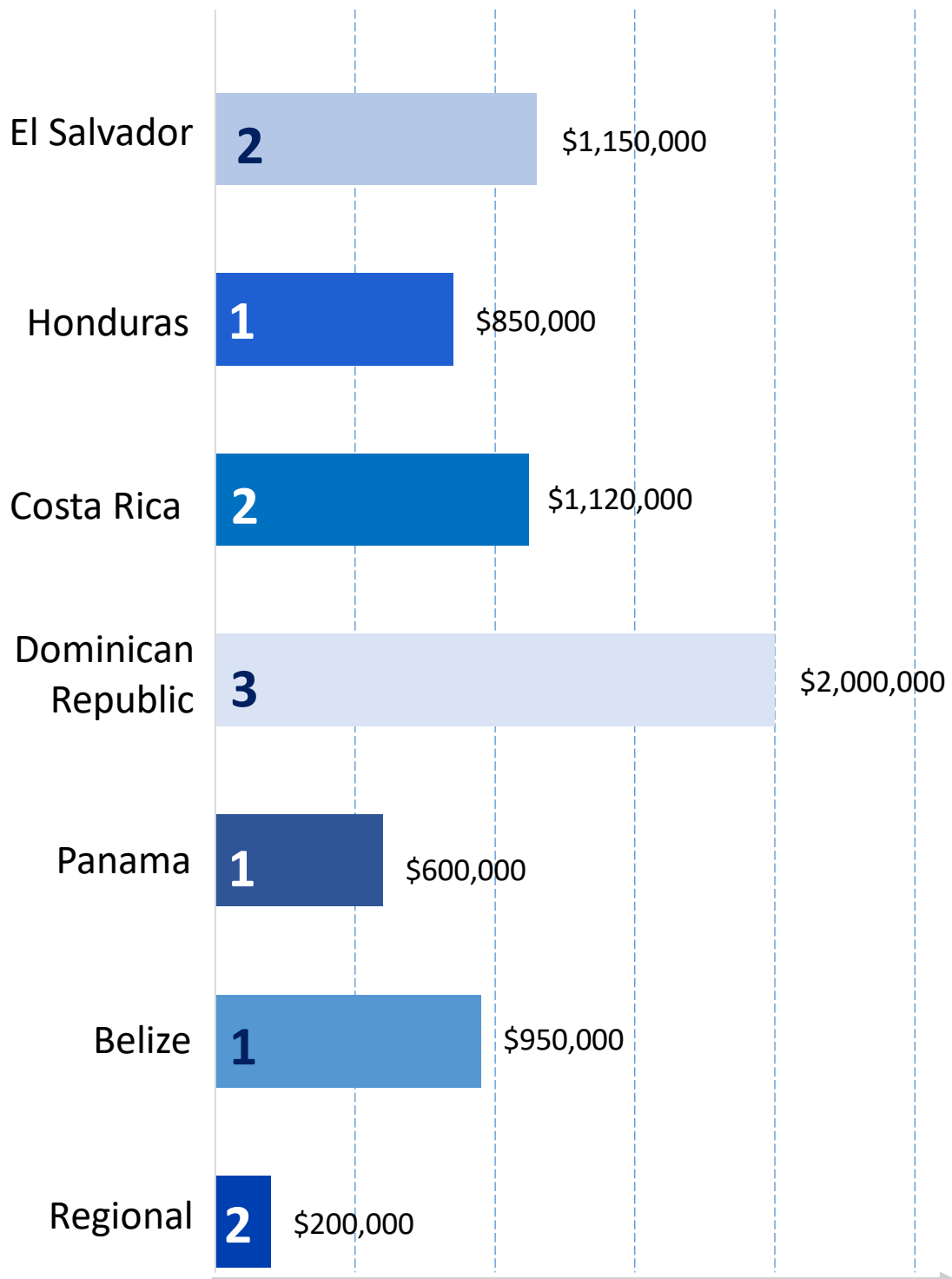


Energy
8.7%

1.2 YEAR 2022 AT A GLANCE

Country Allocation

Number of Projects and Budget Approved per Country



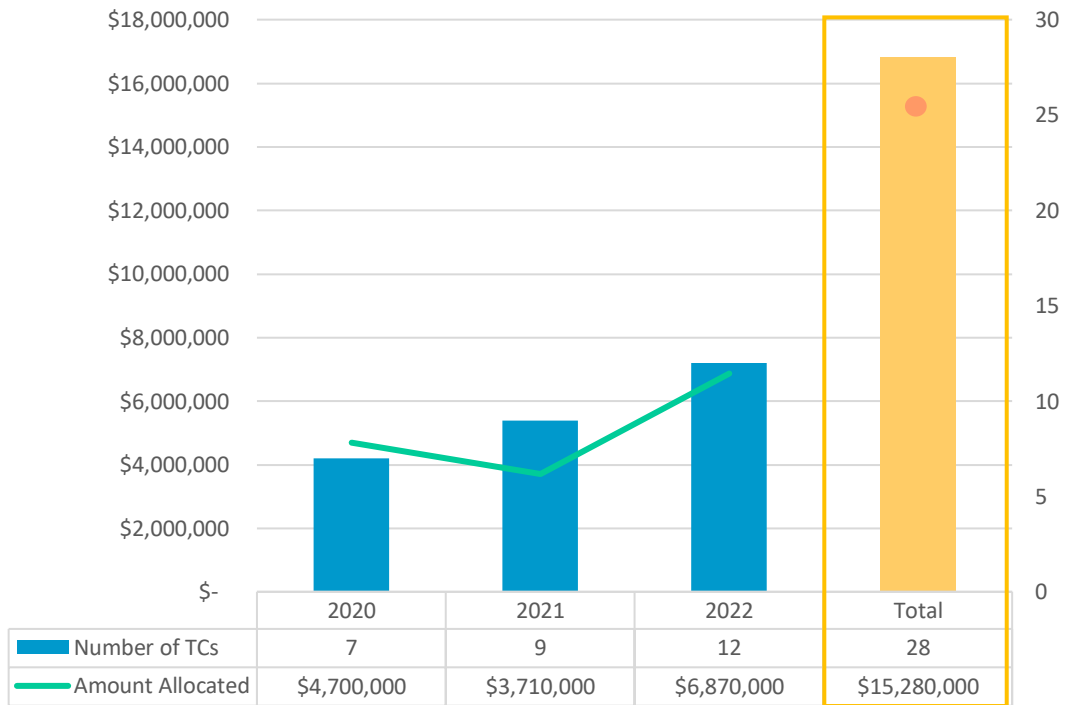
1.2 YEAR 2022 AT A GLANCE

List of Approved Projects

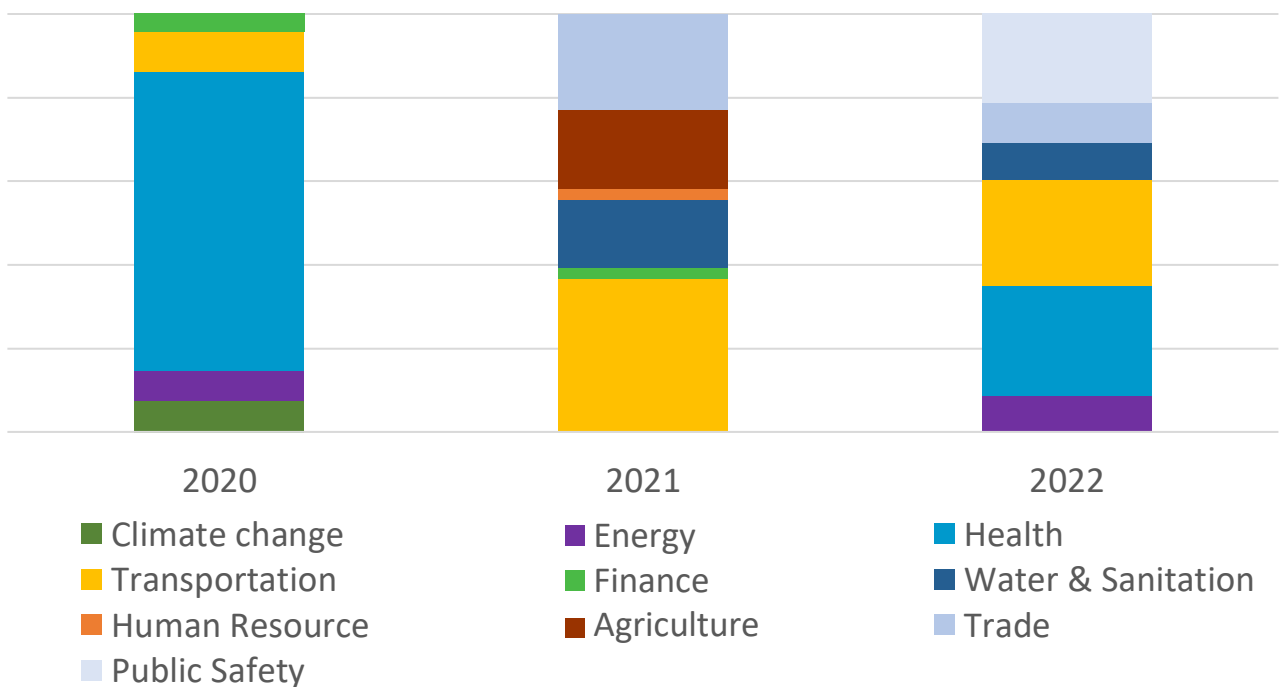
Technical Cooperation	Sector	Countries	Budget (USD)
Building Offshore Wind Capacity in Costa Rica	Energy	Costa Rica	\$ 600,000
Modernization and automation of Dominican Republic Customs	Trade	Dominican Republic	\$ 450,000
Modernization of Hospitals and Healthcare Services in Belize	Health	Belize	\$ 950,000
Support CABEI ROK Free Trade Conference in Seoul, South Korea	Trade	Regional	\$ 100,000
Modernization of the Guluchapa Water Supply System in San Salvador through dedicated Photovoltaic generation and Integrated Water Resource Management	Water & Sanitation	El Salvador	\$ 600,000
Intelligent Traffic Systems in Santo Domingo and the National Highways of the Dominican Republic	Transportation	Dominican Republic	\$ 600,000
Integration of the Public Bus & Metro Systems in West Panama Province	Transportation	Panama	\$ 600,000
Coffee Cooperation between CABEI and the Republic of Korea	Trade	Regional	\$ 100,000
Prefeasibility Study for the National Autonomous University of Honduras's Medical Campus in Tegucigalpa and San Pedro Sula	Health	Honduras	\$ 850,000
Pre-Investment Plans for the Development and Modernization of Nationwide Fire Stations and Deployment of a Fire Detection Drone Pilot in Costa Rica	Public Safety	Costa Rica	\$ 520,000
Modernization of Bus Transport Network in San Salvador	Transportation	El Salvador	\$ 550,000
Deployment of an Integrated Public Safety Platform (IPSP) Pilot in the province of Santiago, Dominican Republic	Public Safety	Dominican Republic	\$ 950,000
TOTAL			\$ 6,870,000

1.3 KTF ACHIEVEMENTS

Amount Allocated and Number of Approved TCs



Diversification of Sectors



1.4 MILESTONES 2022

JANUARY

Approved Technical Cooperation Projects

Building Offshore Wind Capacity in Costa Rica (\$600,000)

Modernization the Dominican Republic Customs Management System (\$450,000)

MARCH

Approved Technical Cooperation Projects

Modernization of Hospitals and Healthcare Services in Belize (\$950,000)

APRIL

Strengthening Partnerships with ROK Organizations

Online workshop to introduce ROK institutions such as KISA (Korea Internet Security Agency), NIPA (National IT Industry Promotion Agency), MSIT (Ministry of Science and ICT) to increase awareness of opportunities for collaboration



MAY

Scaling Up Impact in the Region

KTF channeled a contribution of one-million-dollars to CABEI's Social Support Foundation to finance high impact social projects in the region

Approved Technical Cooperation Projects

CABEI-ROK Trade and Investment Promotion Conference (\$100,000)

JUNE

Capacity Buildings and Knowledge Transfer

Strengthened some housing ministries' understanding of developing social housing projects which considers climate change adaptation



1.4 MILESTONES 2022

JULY

CABEI-ROK Trade and Investment Promotion Conference

1st CABEI-ROK conference in ROK to promote K-CAFTA

Participants consisted of ROK public institutions and private companies



Opening of CABEI Representative Office within the International Finance Center in Seoul

Participants included ROK public institutions, trade associations, and private companies



Approved Technical Cooperation Projects

Modernization of the Guluchapa Water Supply System in San Salvador through Dedicated Photovoltaic Generation and Integrated Water Resource Management (\$600,000)



Intelligent Traffic System in Santo Domingo and the National Highways of the Dominican Republic (\$600,000)

Integration of the Public Bus & Metro Systems in West Panama Province (\$600,000)

SEPTEMBER

Approved Technical Cooperation Projects

Coffee Cooperation between CABEI and the Republic of Korea (\$100,000)

1.4 MILESTONES 2022

OCTOBER

Capacity Buildings and Knowledge Transfer

Study tour and workshops in Seoul for Panama Metro officers as part of the Panama Metro Line 5 Rail Network Technical Cooperation

Promoted ROK's capabilities in construction, management and operations of Seoul's metro rail system



NOVEMBER

Global Yeongdo Coffee Festival held in Busan

Execution of Coffee Cooperation to develop business relationships and facilitate specialty coffee trade between the ROK and CA

Participants consisted of ROK consumers, coffee importers, and CA specialty coffee exporters



The 1st Korea-CABEI Green Cooperation Seminar

Presented and shared the latest efforts, actions, and innovation in green and climate sectors that took place in CA and identified demand for future cooperation between ROK and CABEI.

DECEMBER

Approved Technical Cooperation Projects

Pre-feasibility Study for the National Autonomous University of Honduras' Medical Campus in Tegucigalpa and San Pedro Sula (\$850,000)



Pre-Investment Plans for the Development and Modernization of Nationwide Fire Stations in Costa Rica (\$520,000)

Modernization of the Bus Transport Network in the Metropolitan Area of San Salvador (\$550,000)

Deployment of an Integrated Public Safety Platform Pilot in the Province of Santiago (\$950,000)

1.5 OPERATIONAL HIGHLIGHTS



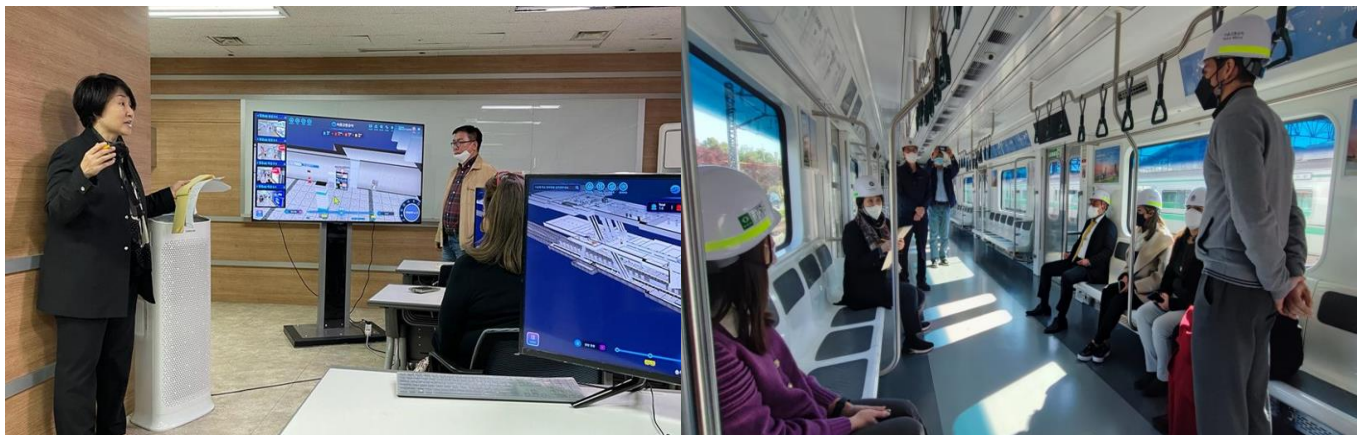
Panama Metro Delegation Capacity Building in Seoul

In October 2022, representatives from Panama Metro visited Seoul to gain knowledge and hands-on experience with advanced technologies and practices in mass transit systems. The capacity building program was part of the Development of Panama Metro Line 5 Rail Network TC. Panama Metro is expanding its urban railway system and ROK has committed to share its expertise through the KTF and KIND.

During their visit, the Panama Metro met with the Korea National Railway and Seoul Metro to benchmark the know-how of operating mass public transit systems.

The delegation also visited the Hyundai Tunnel Boring Machine and the construction site of the Great Train Express, a high-speed commuter rail network in the Seoul Metropolitan Area, to gain firsthand experience of the latest technologies and best practices in the field.

Meetings with industry leaders such as Hyundai E&C provided the delegation with opportunities to deepen their understanding of the sector, which will assist Panama in designing its metro network system.



1.5 OPERATIONAL HIGHLIGHTS



Support CABEI-ROK Free Trade Conference in Seoul

CABEI and the Korean Council on Latin America & the Caribbean (KCLAC) hosted the CABEI-ROK Trade and Investment Promotion Conference in July 2022 to engage in a meaningful exchange to facilitate mutual trade and investment.

CA stakeholders had the opportunity to meet with ROK counterparts such as Busan Port Authorities, Hyundai Motors, Hyundai Heavy Industries, Korea National Railway, Export-Import Bank of Korea, the Korea Chamber of Commerce, and other public and private institutions to explore potential collaborations and leverage the framework of K-CAFTA.

On the other hand, ROK participants were able to directly learn from CABEI's public and private sector development managers, as well as the representative from the Korea Trust Fund who provided insights into the ongoing projects and participation methods.

Through the conference, participants from both regions enhanced their understanding of the opportunities presented by K-CAFTA and paved the way for greater cooperation in the economic development and integration of CA and ROK.



1.5 OPERATIONAL HIGHLIGHTS



Coffee Cooperation between CABEI and the Republic of Korea

In November 2022, CA coffee exporters were invited to participate in the Yeongdo Coffee Festival which provided a unique opportunity to promote CA specialty coffee and develop business relationships with ROK coffee importers.

The festival entailed various activities including a tasting booth and a two-day coffee school where exporters introduced their coffee products and export readiness to ROK consumers and importers.

CA exporters had networking opportunities with ROK firms and the Korean Coffee Association

during a business matchmaking dinner. Overall, the festival provided CA exporters with exposure in the ROK coffee market, insights into Korean consumer preferences, and valuable business contacts.

The festival also served as a showcase for the South Korean coffee data technology. During the coffee school session, ROK participants were able to taste Central American specialty coffee roasted based on artificial intelligence recommendations to match their preferences.



1.5 OPERATIONAL HIGHLIGHTS



Holding the First Korea-CABEI Green Cooperation Seminar

On November 8th, CABEI and the Korea Environment Industry and Technology Institute (KEITI) held the inaugural Green Cooperation Seminar, which aimed to share the latest efforts, actions and innovations in green and climate-related sectors of the Central American economies. On-site and virtual participants in the seminar included CABEI’s professional staff and associates from client countries, as well as Korean public organizations and private companies that were interested in participating in green cooperation projects.

The event provided an opportunity to discuss critical issues facing the region, including the management of water and wastewater, approaches to a more circular economy, and climate change mitigation and adaptation. Another important outcome of the event was the sharing of best practices and major outcomes achieved thus far in green cooperation projects undertaken jointly by CABEI and Korea. This facilitated the identification of opportunities for future cooperation, as well as the promotion of additional green cooperation projects.



SECTION 2 APPROVED PROJECTS IN 2022



2. APPROVED PROJECTS IN 2022



Sector: Energy
Country: Costa Rica
Commitment: US \$600,000

2.1 Building Offshore Wind Capacity in Costa Rica

The vast majority of Costa Rica’s energy supply is generated from renewable sources. In 2019, Hydropower accounted for 69% of the country’s installed generation capacity, followed by 13% geothermal, 12% onshore wind, 2% biomass, and 0.15% solar.¹ However, weather-related disasters, heavy rains and droughts are compromising the reliability of the country’s primary energy supply source—hydro power—by making water resource availability less predictable.

Accordingly, Costa Rica aims to augment the generation of other sources of renewable energy. Increasing the generation of wind power may be the most appropriate way to meet the national energy demand during the dry season or when extreme weather events hinder hydropower generation.

The objective of this project is to assess the environmental conditions of the Pacific coast in Costa Rica through the design of a Buoy Monitoring System (BMS), and to recommend the necessary investments to develop the marine-coastal infrastructure that would enable the development of offshore wind power projects.

The BMS collects meteorological and oceanographic data to select the appropriate site with the optimal climate conditions to meet future demand and ensure supply when current renewable energy sources are hampered.

In addition, the TC shall support the development of vital marine-coastal infrastructure that would permit ease in the transporting, storing, and assembling of offshore wind components through a port facility. The project will also assess the socio-environmental impact of offshore wind projects to increase social acceptance and facilitate project execution.

As ROK is embarking an ambitious offshore wind journey, the country is developing an enabling framework to foster offshore energy projects by modernizing its environmental policies, and domestic supply chain development, amongst others. This TC can serve to expand and transfer the country’s lessons learned in the planning, financing, and integration of offshore wind projects, thereby increasing opportunities for South Korean firms to showcase their technologies and solutions in the sector.

1. Costa Rican Electricity Institute. 2021. "Expansion Plan for Electricity Generation."

2. APPROVED PROJECTS IN 2022

2.2 Modernization and Automation of the Dominican Republic’s Customs Management System

For an island country like the Dominican Republic with a limited domestic market, the role of trade in national economic growth is even greater as exports are a vital source of foreign exchange earnings, income generation, and job creation. The country's strategic location at the crossroads of global shipping and air routes provides excellent connectivity for commercial opportunities.

This project has been initiated to conduct a thorough review of the country’s current customs management system and support the General Directorate of Customs (DGA) by offering guidelines for modernization. Based on the gaps and limitations identified, the project aims to create a strategic plan for improving the customs management system and processes, including the upgrading of ICT infrastructure.



Sector: Trade
Country: Dominican Republic
Commitment: US \$450,000

The government has pursued policies to increase participation in international trade and attract foreign investment for economic and social progress, resulting in significant growth rates, which were the highest in Latin America and the Caribbean between 2010 and 2019.² Due to the significant increase in trade flows, there is a need to update the national customs procedures to reduce the time and cost of trade. The current customs platform adopted in 2010 has proven to be efficient, but the growing complexity of logistics chains and the need to keep pace with global digitalization require adoption of more advanced technologies.

Technical and financial analysis of the different scenarios will also be conducted as part of the studies. Additionally, the project is expected to recommend global best practices related to strategic customs policies, regulations, and governance models, which will enhance the operational and technical capabilities of the DGA. This modernization is expected to lead to increased trade volumes, greater government revenue through tax collection, more employment opportunities via port activities, and ultimately, contribute to greater economic productivity and national competitiveness.

2. OECD. 2020. "Production Transformation Policy Review of the Dominican Republic: Preserving Growth, Achieving Resilience."

2. APPROVED PROJECTS IN 2022



2.3 Modernization of Hospitals and Healthcare Services in Belize

Sector: Health
Country: Belize
Commitment: US \$950,000

Latin America's medical tourism market is estimated to exceed US \$7 billion in 2022, making up more than one-fifth of the global market.³ Belize, known for its beautiful beaches and tropical climate, plans to establish medical tourism as a cornerstone of its economic development, and has successfully expanded its tourism industry fourfold in the past ten years.⁴

However, while the potential and successful expansion of its tourism industry is evident, and the country enjoys the advantage of using English as its official language, Belize's current healthcare system falls short of international standards.

As an illustration, Belize spends 6.92% of its GDP on healthcare, a considerably lower figure compared to the regional average of 8.64% in Latin America and the Caribbean.⁵ Additionally, healthcare services in Belize primarily prioritize primary care, with only one hospital in Belize City offering tertiary care. The COVID-19 pandemic has only increased the difficulties confronting the public health system in Belize.

To meet the growing demand and accomplish its aim of becoming a top medical tourism destination, Belize must expand and upgrade its healthcare facilities, establish effective health information systems to streamline administrative processes, and implement creative methods for developing human capital.

The purpose of this initiative is to assist the Ministry of Health and Wellness (MHW) in modernizing the country's healthcare infrastructure, as well as bolstering the institutional, technical, and operational capacities of hospital administrators and physicians by benchmarking and utilizing ROK medical knowledge, technologies, policy expertise, and best practices. Ultimately, this effort will benefit both the medical tourism industry of Belize and the quality of healthcare services available to the country's citizens.

3. Statista (2022); see also The Business Research Company, Global Medical Market Tourism Report (2022)
 4. Beltraide, "Tourism & Leisure."
 5. World Bank, 2020. "Current health expenditure (% of GDP) - Latin America & Caribbean."

2. APPROVED PROJECTS IN 2022

2.4 Support CABEI-ROK Free Trade and Investment Promotion Conference in Seoul

Over the last two decades, ROK has emerged as a significant trading and investment partner for Latin America. Particularly, CA countries, which represent the fourth largest economy in the region and have substantial prospects for expansion, offer a promising opportunity for ROK to diversify its trade and investment portfolio.

The primary purpose of the event was to create a forum that would enhance comprehension of the potential for economic cooperation and integration between the two regions.

Sector: Trade

Country: Regional

Commitment: US \$100,000



To capitalize the potential growth of trade and investment between ROK and CA, the Korea Central America Free Trade Agreement (K-CAFTA) was put into effect in 2021.

To commemorate the implementation of K-CAFTA and the opening of CABEI's representative office in Seoul, the Korean Council on Latin America & the Caribbean (KCLAC) and the Bank hosted the CABEI-ROK Free Trade and Investment Promotion Conference.

The conference was an opportunity for both private and public sector of ROK and CA to reinforce strategic partnerships and explore prospects for collaboration in trade and investment, in line with the vision of K-CAFTA.

With this effort, CABEI intended to establish a basis for greater cooperation and partnership between ROK and SICA (Central American Integration System) countries, as well as promote the economic welfare of both regions.

2. APPROVED PROJECTS IN 2022



Sector: Water & Sanitation

Country: El Salvador

Commitment: US \$600,000

2.5 Modernization of the Guluchapa Water Supply System in San Salvador through Dedicated Photovoltaic Generation and Integrated Water Resource Management

El Salvador faces several water-related environmental challenges. Droughts and floods caused by extreme weather events have resulted in water scarcity in the country, leaving hundreds of thousands without access to safe drinking water in the Metropolitan Area of San Salvador (AMSS). Recognizing the urgency to secure safe drinking water, the government of El Salvador has focused on improving its water and sanitation systems across the country, particularly in the metropolitan areas.

Water treatment in AMSS is handled at four main catchment sources, one of which is the Guluchapa Water Supply System, the repair of which has become a national priority to respond to the long-term deterioration of existing hydraulic infrastructure, reduction of water intakes, and its extensive coverage.

This project is expected to support the modernization of the Guluchapa Water Supply System and its infrastructure, develop an independent Photovoltaic energy generation plant, and leverage ICT to monitor and control the processes to enhance their operational efficiency and mitigate water loss.

By implementing water resource management technologies, El Salvador can increase the reliability of water services and enhance the affordability and accessibility of water for the metropolitan population, which lowers public health costs, spurs job creation, reduces energy costs, strengthens the country's economy, and improves the quality of life of the population.

2. APPROVED PROJECTS IN 2022

2.6 Intelligent Traffic Systems in Santo Domingo and the National Highways of the Dominican Republic

The Dominican Republic has experienced a significant increase in traffic volume over the last decade, resulting in serious challenges related to traffic congestion and accidents, as well as significant economic and productivity losses due to increased commute times. In terms of road safety, traffic accidents are one of the leading causes of death in the nation, and with an average of 34.6 deaths per 100,000 inhabitants,⁶ Dominican Republic has the second-highest traffic mortality rate in the world.

ITS enables traffic light control and the collection, processing, and provision of real-time data such as congestion and accidents, reducing the time spent on the road, enhancing the mobility of people and goods, thus improving commerce and quality of life.

Sector: Transportation
Country: Dominican Republic
Commitment: US \$600,000



Studies have found that a 10% reduction of aggregate delay on an average workday decreased traffic incidents by 1% in Santo Domingo. This translates to 117 fewer accidents in 2019 alone.⁷

This project intends to assess the feasibility of deploying an Intelligent Traffic System (ITS) within the city of Santo Domingo and along national highways. ITS leverages cutting-edge ICT to improve the safety, efficiency, effectiveness, accessibility, and sustainability of the transportation network without having to increase the capacity of the network itself.

When vehicles slow down or frequently stop-and-go, their fuel consumption and GHG emission per unit of distance increases as compared to when traveling at a steady speed.

In this regard, ITS has shown to reduce traffic congestion by 53% and shorten travel times by 44%,⁸ which has additional multiplier effects on social, economic, and environmental well-being, while contributing positively to mitigate climate change.

6. World Bank. 2016. "Road Safety Country Profile."
 7. IDB. 2021. "Urban road congestion in Latin America and the Caribbean: characteristics, costs, and mitigation."
 8. Science Direct. "The importance of intelligent transport systems in the preservation of the environment and reduction of harmful gases."

2. APPROVED PROJECTS IN 2022



2.7 Integration of the Public Bus & Metro Systems in West Panama Province

Sector: Transportation
Country: Panama
Commitment: US \$600,000

Panama’s economy is predominantly anchored to a highly developed services sector, which is concentrated in the Panama Metropolitan Area (AMP), located in the eastern side of the Panama Canal. Therefore, 82.8% of the population that resides in the western side of the Panama Canal, Arraiján and La Chorrera districts or West Panama, must travel great distances for work.⁹

At present, there is a deficiency of dependable public transportation in the AMP, which makes commuting challenging between the western and eastern parts, thereby having adverse effects on the inhabitants and economy of West Panama. In fact, serious levels of traffic congestion are affecting the entire AMP, which has one of the longest average travel times for both public and private transport compared to other metropolitan areas in Latin America.

To alleviate this congestion, the government of Panama is expanding its metro network coverage in the AMP to four metro lines.

Line 3, the construction of which began in 2021, will service the western portion of the AMP and connect the districts of Arraiján and La Chorrera with Panama City, providing residents of these two districts with more convenient and efficient transport to the city center.

To fully realize the potential social and economic benefits of Line 3, public transportation must be integrated into a bimodal network that includes a restructured and modernized bus system that will increase access to the planned metro stations.

This TC aims to develop a strategy for the restructuring of the bus public system in the districts of Arraiján and La Chorrera within the West Panama Province. By integrating the existing public transportation network with Line 3, the residents of Arraiján and La Chorrera will be able to fully utilize the new metro line and take advantage of the benefits it provides, which lead to a more efficient and sustainable public transportation system in the area.

9. MINERPA. “Población por provincial y distrito.”

2. APPROVED PROJECTS IN 2022

2.8 Coffee Cooperation between CABEI and the Republic of Korea

Rising per capita consumption of coffee and the evolving preferences of ROK consumers have made the market an attractive destination for coffee importers. ROK is now the world's seventh largest importer of coffee, with adults over the age of 20 consuming an average of one cup per day.¹⁰

The festival provided unique opportunities to promote specialty coffee from CA, as well as foster relationships between CA coffee exporters and ROK coffee importers, associations, and cooperatives through various events, such as booth marketing and coffee school. The festival also served as a showcase for ROK coffee data technology.



Sector: Trade

Country: Regional

Commitment: US \$100,000

However, CA countries have not been able to fully capitalize on the ROK market opportunities as compared to other Latin American and the Caribbean countries. In 2021, ROK imported US \$96.7 million worth of coffee from CA, which is less than 9% of its total coffee imports of US \$916.5 million.¹¹ The reasons for this are logistical limitation between the ROK and CA trade route, lack of local knowledge, and heavy dependence of CA on importing countries like the United States and Europe.

To develop business relations and facilitate specialty coffee trade between the ROK and CA, this project supported the participation of CA coffee exporters at the Yeongdo Coffee Festival held in Busan.

Additionally, the festival served as a platform to highlight ROK's coffee data technology. During the coffee school sessions, CA specialty coffee beans were analyzed by AI-based coffee data technology, identifying specific bean characteristics and components to provide recommendations on the cultivation or roasting process to match preferences of ROK consumers. The goal of the project was to increase market entry in ROK while also enhancing the coffee industry for ROK consumers by providing greater variety and higher quality options.

10. Statista. "Coffee Market in South Korea."

11. Korea Customs. "Trade Statistics."

2. APPROVED PROJECTS IN 2022



Sector: Health
Country: Honduras
Commitment: US \$850,000

2.9 Prefeasibility Study for the National Autonomous University of Honduras's Medical Campus in Tegucigalpa and San Pedro Sula

The COVID-19 pandemic revealed the fragile state of Honduras' public health system, which has experienced decades of low investment, lack of coordination and inadequate management. Limited resources have exacerbated the country's ability to provide healthcare services, resulting in insufficient hospital and healthcare infrastructure, a lack of coverage, and a shortage of skilled health professionals.

For instance, the country only has 0.4 hospitals per 100,000 people, making it second to last in CA, and less than one bed per 1,000 people.¹² There are also very few doctors and nurses available, with only 0.3 doctors and two nurses per 10,000 people, which is far below the World Health Organization's recommended levels.¹³ Overall, it is estimated that almost 20% of the Honduran population do not have access to health services.¹⁴

To improve the quality of healthcare services and education in Honduras, this project supports the National Autonomous University of Honduras (UNAH) in creating new medical infrastructures and improving training programs for doctors and nurses.

The project will conduct research on the development of contemporary medical campuses in Tegucigalpa and San Pedro Sula, based on an evaluation of the current state of the Honduran healthcare sector.

The aim is to create sustainable facilities equipped with state-of-the-art technologies and systems that will meet the current and future needs of the country. By benchmarking international and ROK hospital management and medical university education practices, the project intends to augment UNAH's capacity for medical education, training, and research, and ultimately strengthen the competitiveness of Honduras' public health system

12. iMedPub Journals. 2016. "Situation of the Health System in Honduras"
 13. *Ibid.*
 14. *Ibid.*

2. APPROVED PROJECTS IN 2022

2.10 Pre-investment Plans for the Development and Modernization of Nationwide Fire Stations in Costa Rica

Vulnerable to climate change, Costa Rica has seen its average temperature increase steadily over the past 40 years. The rise in temperatures have resulted in dry extremes that have increased the frequency, size, and severity of fires, negatively impacting ecosystems, biodiversity, water availability, and the population’s welfare overall. Fire danger in Costa Rica is classified as medium to high, as the country has more than 50% probability that meteorological conditions are likely to produce large fires.¹⁵

Due to the warmer temperature, the CRFD (Costa Rica’s National Fire Department) responds to 300 incidents per day on average.¹⁸ The emergencies addressed by the CRFD in 2021 totaled 5,613, with search and rescue and fire-related emergencies accounting for more than half of the incidents.¹⁹ This scenario is expected to worsen as future climate forecasts indicate an increase in the frequency of aggravating weather conditions and increased population and urbanization in the country.



Sector: Public Safety
Country: Costa Rica
Commitment: US \$520,000

For instance, as of December of 2021, the country suffered 1,106 fires spread over the seven provinces of San Jose, Alajuela, Cartago, Heredia, Guanacaste, Puntarenas and Limon. The mortality rate from structural fire-related incidents increased nearly 10% as compared to the previous year.¹⁶

Regarding wildfires, Costa Rica experienced 885 fire alerts inside and outside protected areas, with most of them during the summer season.¹⁷

To support the government in addressing this issue, this project will deliver a pre-investment plan that includes technical designs for the development and modernization of fire department facilities, equipment, and management systems. Ultimately, by leveraging ROK’s know-how this project is expected to increase resilience and coverage nationwide, enhance readiness, improve firefighter safety, and ensure wellbeing of citizens.

15. Think Hazard. Costa Rica.
 16. Bomberos Costa Rica. "Structural Fires Attended as of December 31, 2021."
 17. Global Forest Watch. Costa Rica.
 18. Bomberos Costa Rica. "Firefighters Attended Historic Number of Emergencies."
 19. El Guardian. "Bomberos de Costa Rica Llevan Miles de Emergencias Atendidas en el 2021."

2. APPROVED PROJECTS IN 2022



2.11 Modernization of Bus Transport Network in San Salvador, El Salvador

Sector: Transportation
Country: El Salvador
Commitment: US \$550,000

The city of San Salvador has experienced rapid urban growth, yet public transportation has not improved accordingly. Issues such as the lack of control over public transport services, high prevalence and frequency of criminal activities, and non-compliance of rules and regulations have led to a detrimental impact on the perception and experience of public transport in the country. This has resulted in heavy traffic congestion, increased fuel consumption, higher vehicle operating costs, and greater greenhouse gas emissions.

Due to the aforementioned factors that drain revenues from operating buses, the country has not been able to improve or modernize the public transport fleet for decades. For example, most of the public buses are old school buses imported from the United States, which had been in operation for over 10 years and failed emission tests.

With the objective of developing a strategy to modernize the urban bus transport system, the project will deliver technical studies to assess the current challenges related to routes, fleets and payment systems.

The project shall also assess the feasibility of using electric and Compressed Natural Gas (CNG) buses and implementing an electronic payment system. Leveraging ROK best practices and technologies, the project will also provide technical specifications, design recommendations, and an implementation roadmap for the modernization of the transport system.

Ultimately, the modernized network will promote a more efficient urban bus transport system in San Salvador, facilitate greater accessibility, and advance the transition to greener urban mobility.

2. APPROVED PROJECTS IN 2022

2.12 Deployment of an Integrated Public Safety Platform Pilot in the Province of Santiago, Dominican Republic

One of the Dominican Republic’s priority national agenda is improving national public safety. Various indicators point to an ongoing challenge related to the country's continuing rise in crime, particularly in the Santiago province, which has one of the highest rates of violence and property crime in the country.²⁰

The objective of this project is to assess the feasibility of an Integrated Public Safety Platform (IPSP) and deployment of a pilot in Santiago, extending security and surveillance networks in the province.

Sector: Public Safety
Country: Dominican Republic
Commitment: US \$950,000



Moreover, homicides and theft crimes increased at a faster rate in Santiago than at the national level in the first half of 2021, emphasizing the need for quick action to address the crime wave.²¹ The social and economic costs of crime include lower quality of life, loss of income related to decreased commercial activities, increased costs of security services incurred by the public and private sectors, greater public spending on law enforcement and incarceration, health and victim services, and intangible costs associated to public well-being.

The IPSP initiative will demonstrate the benefits of using Artificial Intelligence (AI), big data, and facial recognition technologies to enhance the efficiency and effectiveness of public safety administration by collecting real-time data and sharing information across different public sector institutions, such as police and fire departments. It shall ultimately support discouraging criminal activity, minimize emergency response times, and improve social welfare overall.

20. MOIP. 2021. "Public Safety Diagnosis, Santiago"

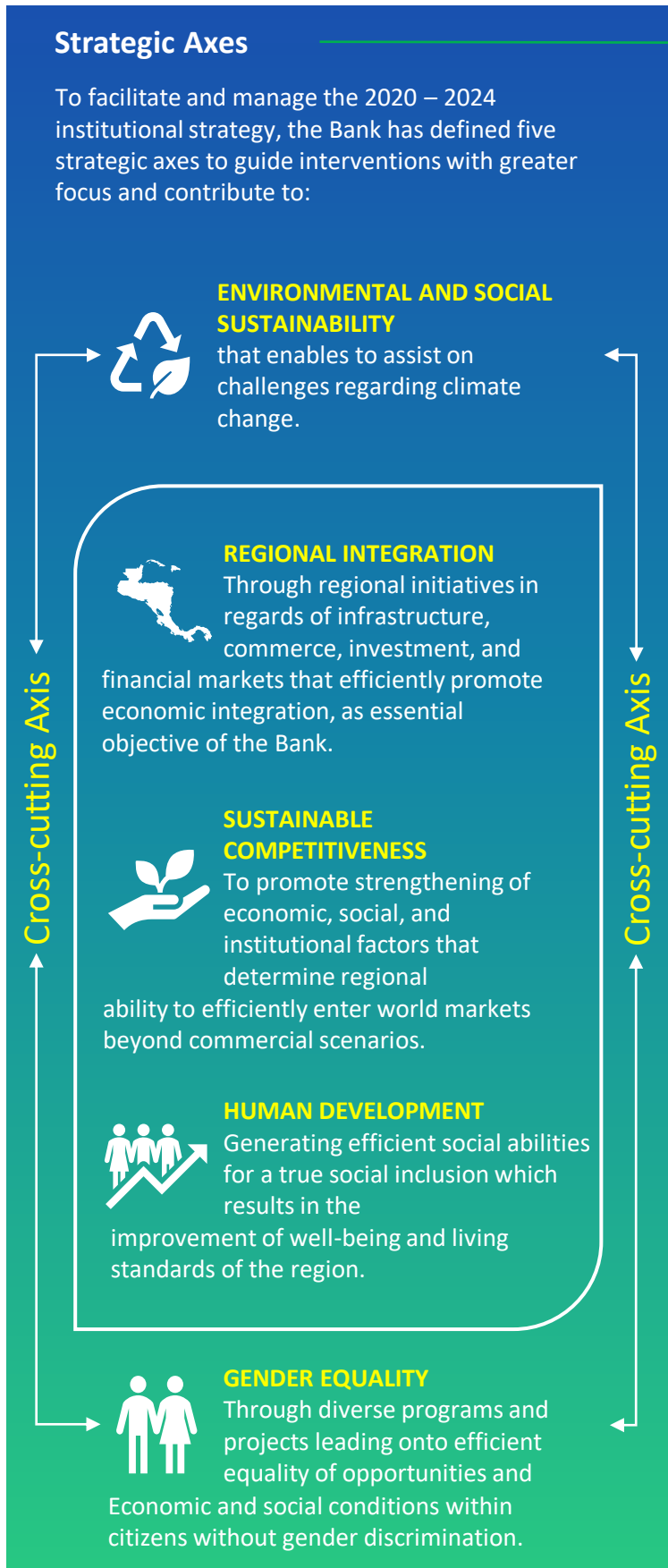
21. Ibid.

SECTION 3 KTF IMPACT AND PROGRESS



3.1 ADVANCING SUSTAINABLE DEVELOPMENT

Facilitating CABEI's Strategic Axes



KTF plays a crucial role in advancing CABEI's mission of promoting economic integration and sustainable development of the CA region. This is achieved by carefully selecting projects that align with CABEI's 2020-2024 institutional strategy and priorities, which focuses on promoting:

- i. **Regional Integration,**
- ii. **Environmental and Social Sustainability,**
- iii. **Human Development,**
- iv. **Sustainable Competitiveness, and**
- v. **Gender Equality.**

KTF also takes a strategic approach to project development and country engagement, by assessing beneficiary country demands and prioritizing projects that align with their national agenda. Each project is designed to assist member countries overcome various challenges, by utilizing innovative approaches that leverage ROK technology and international best practices.

Since its establishment, KTF transferred ROK experience and tailored technological solutions that has strengthened CABEI's ability to develop innovative and tangible projects that are aligned to the Bank's development strategies.

In 2022, KTF emphasized increasing the region's sustainable competitiveness through initiatives aimed at increasing Bank personnel's understanding of ROK offerings and technological capabilities in different sectors. The addition of twelve new projects to KTF's portfolio will strengthen cooperation to support member countries' sustainable transition, while facilitating and expanding CABEI's five strategic development pillars.

3.1 ADVANCING SUSTAINABLE DEVELOPMENT

Spearheading Korea’s ODA Agenda



Under the current administration, ROK is actively pursuing its Official Development Assistance (ODA) agenda through various measures and initiatives to become one of the top 10 donors among OECD members. As a part of this effort, ROK has increased its ODA contributions over the years, reaching an approximate amount of US \$2.8 billion in 2022.²²

KTF is playing a key role in ROK's efforts to establish itself as a global development partner and demonstrate its commitment to international development cooperation, particularly, as a key mechanism of implementing the country’s ODA agenda in the CA region.

KTF finances and implements initiatives that use cutting-edge Korean technologies and methodologies, in areas such as information technology, renewable energy, and green growth, demonstrating their adaptability to local circumstances and effectiveness in sustainable development.

This promotes knowledge sharing and encourages the use of ROK expertise in other development initiatives. As a result, ROK's reputation as a responsible global citizen is enhanced, contributing to its influence in the CA region and beyond.

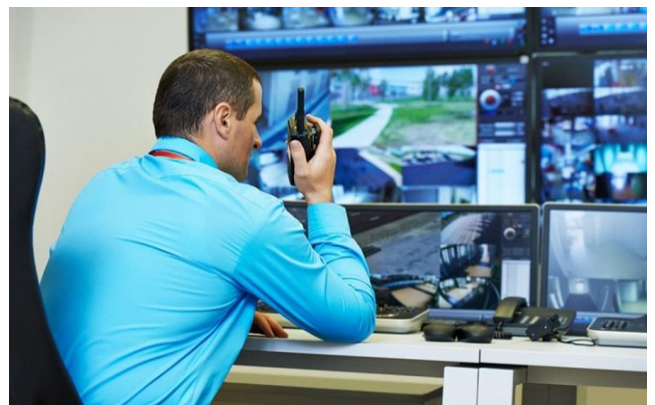
22. Office for Government Policy Coordination (2023)

3.2 KTF MAKING PROGRESS

KTF Pilots

Pilots serve as a means of testing the viability of a project before it is rolled out on a large scale, which mitigates risk, saves costs, enhances learning opportunities, and engage stakeholders. This approach raises the likelihood of success in achieving project objectives. Within the framework of KTF, pilots offer the opportunity to best tailor ROK experiences and technologies into the local context, ensuring local ownership and maximizing economic and social benefits. In 2022, KTF continued its efforts to identify pilot projects to scale up the impact of the technical cooperations and increase the likelihood of potential loan financing while raising the visibility of both ROK and the Bank in the region.

*One of the significant projects approved this year was the Integrated Public Safety Platform (IPSP) pilot in **Santiago, Dominican Republic**. The project aims to enhance the efficiency and effectiveness of public safety administration by utilizing state-of-the-art technologies, such as artificial intelligence (AI), Internet of things (IOT), big data, and cloud computing. The IPSP pilot will support the implementation of real-time data collection to influence the decision-making processes of public bodies and information sharing across different institutions, such as the police, fire departments, hospitals, and other relevant agencies, to discourage criminal activities and minimize emergency response times.*



In addition to the IPSP pilot, KTF is developing a climate-smart greenhouse pilot project in Costa Rica. The project aims to reduce the country's vulnerability to climate change while increasing agricultural productivity and market value through the use of ICT in smart greenhouses. This pilot is the first smart farm pilot project funded by ROK in CA, and the first ICT project for CABEI.

KTF's commitment to pilot development shows their dedication to creating a long-term impact in the region across multiple sectors. These pilot projects are expected to set an example for regional initiatives on public security and smart agriculture, and offer many opportunities for both the private and public sectors of ROK.

3.3 OPENING OF CABEI REPRESENTATIVE OFFICE IN SEOUL

Strengthening the Bilateral Relationship



On July 11, 2022, the Bank opened its representative office in Yeouido, Seoul's international financial hub. The new representative office signifies the strengthening of relationships between the Bank and the Government of ROK, as well as the tangible bridge to advance economic linkages and development cooperation between the public and private sectors of both regions.

Through this office, the Bank will enhance its ability to collaborate with domestic institutions on a wide range of initiatives.

Additionally, the office shall serve as a point of contact for domestic organizations that is interested in facilitating information, knowledge, and technology transfer activities in areas where ROK has expertise, such as renewable energy, urban transport, smart cities, amongst others.



3.4 STRENGTHENING RELATIONSHIPS WITH ROK PUBLIC SECTOR

Expanding Strategic Partnerships

During the visit of CABEI to ROK in July 2022, several memorandum of understanding (MOU) were signed between CABEI and various authorities of ROK. The purpose of these MOUs was to establish a framework for cooperation, facilitate the implementation of programs and projects in areas of mutual interest between the CA region and ROK, and promote the development of technical studies to capitalize on investment opportunities.



Ministry of Oceans and Fishing (MOF)



Ministry of Science and ICT (MSIT)



Korea Environmental Industry & Technology Institute (KEITI)



Korea Infrastructure & Urban Development Corporation (KIND)

3.5 PUBLIC RELATIONS

In the News

In 2022, KTF was featured in over 60 articles in international and Korean media, showcasing its efforts to support sustainable and equitable development in Central America. The media coverage highlighted KTF's focus on identifying and preparing projects that incorporate content, technologies, and international best practices, particularly from ROK. The most prominently featured projects included the Coffee Cooperation in ROK and Korea Week, which allowed representatives from ROK and CA to interact face-to-face for the first time after the pandemic. In addition, local initiatives, such as the offshore wind project in Costa Rica and the modernization of the water supply system in El Salvador, were widely covered by local media, raising awareness of KTF's knowledge-sharing activities.



“글로벌 영도커피축제” 중미 스페셜티 커피 생산자들 온다

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경제 종합

2022년 7월 12일 화요일 매일경제

中美경제은행 총재 “한국기업 진출 문턱 낮출 것”

단테 모시 CABEI 총재 인터뷰
추진할 수 있는 중미 시장
10년내 대부분 전격 전환
한국기업 진출 기회 확대

“한국-수소차 등 친환경 차량과 불도 에너지 분야에서 많은 기회가 열려 있는 중미 시장으로 한국 기업 진출을 적극 돕겠다.”
서울 여의도에서 열린 한국-수소차 개소식 참석차 방문한 단테 모시 중미 경제개발은행(CABEI) 총재는 11일 한국 기업들이 더 많은 관심을 요청했다. CABEI는 중미 경제 개발과 경제 통합 투자를 위해 1980년 설립된 다자 개발은행이다. 예년에선 콜롬비아, 온두라스, 엘살바도르, 니카라과, 코스타리카, 파나마, 도미니카공화국, 벨리즈 등 총 8개국이 참여하고 있다. 1991년 이후 파연을 확대하기 위해 한국(2019년 가입)을 비롯한 대만, 멕시코, 스페인, 우루과 등 여러 국가가 적극적으로 회원으로 받아들였다.

모시 총재는 한국 기업들이 중미 시장에서 많은 기회를 포착할 수 있다며 주요 분야로 한국-수소차 등 친환경차량과 불도, 에너지 부문을 꼽았다. 열차로 가격 경쟁력이 높은 한국 자동차들이 완성차 업체가 없는 중미 지역에 서 명거를 끌 수 있다는 것이다. 모시 총재는 “향후 10년 내 대중교통을 포함한 모든 교통수단을 전기차로 바꿀 계획이 있다”며 “(자동차 수출과 관련해) 독일, 미국 등 여러 나라의 수출 두드러고 있는데 한국만큼 가격 경쟁력이 높은 나라가 없다”고 했다.

모시 총재는 이날 방문 연 서울사무소를 통해 중미 인프라스트럭처 사업에 참여할 기회가 늘 것이라고 강조했다. 그는 “서울사무소를 통해 빠르게 성장하는 중미 시장을 한국 기업에 넓게 알리고 싶다”고 말했다.
모시 총재는 성공적인 사례로 보스니아의 2019년 에너지 협력발전소, 예와천연가스(LNG) 터미널 건설을 언급했다. 보스니아는 지난달에도 도미니카 LNG 저장탱크 등 공사를 착공한 지 1년8개월여 만에 마쳤다.

CABEI는 한국에서 중미 지역 개발을 위한 인프라 사업도(korCBIE)도 운을 중이다. CABEI는 korCBIE로 중미 국가들이 인프라 사업에 최대 10억달러 투자가 가능할 것으로 보고 있다. 이와 관련해 모시 총재는 “한국 기업이 중미에 더 빨리 진출하는 데 도움을 주기 위해 초선한 사보펀드”라고 설명했다. 또 모시 총재는 한국과 중미의 교역을 늘리기 위해 한국-중미 자유 무역협정(FTA)을 더욱 촉진해야 한다고 주장했다. 그는 “한국-FTA를 더 많이 활용해야 한다”라며 “이들 협정 양자 중미 지역 전체에 통하는 문을 열어줄 기회를 얻을 수 있다”고 말했다. 한국-FTA는 한국이 미국과 기타 제3국 6번째 FTA로, 지난해 3월 전체 발효됐다.
한편 기획재정부와 CABEI는 이날 중미 인프라 구축을 위한 대외경제협력기금(OECF)-CABEI 협조차 2억달러를 더 늘리고 기존도 3억달러를 더 늘렸다. 환경부 산하 한국환경산업기술원도 이날 CABEI와 환경기업의 중미 진출 지원을 위한 업무협약을 맺었다. 이충우 기자



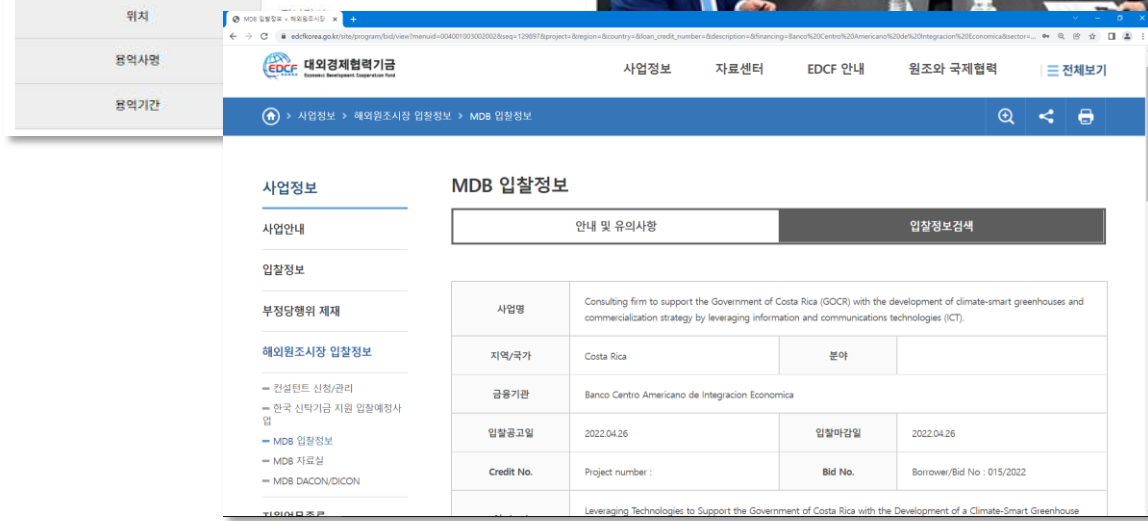
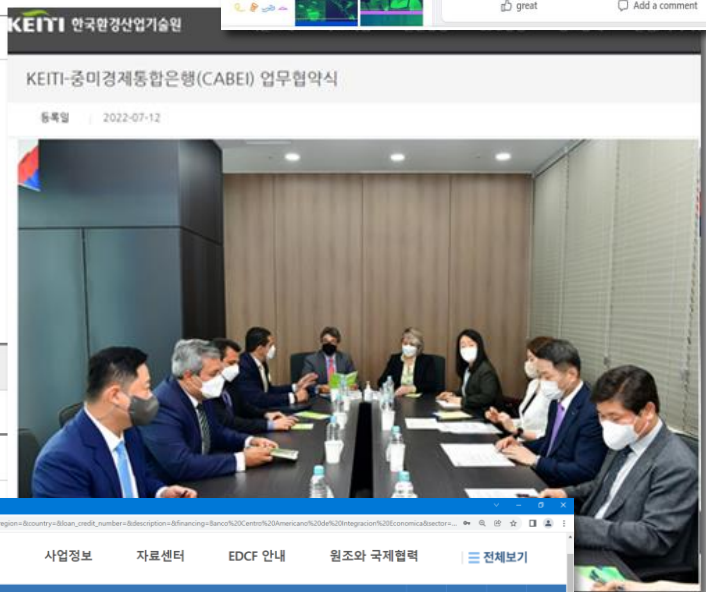
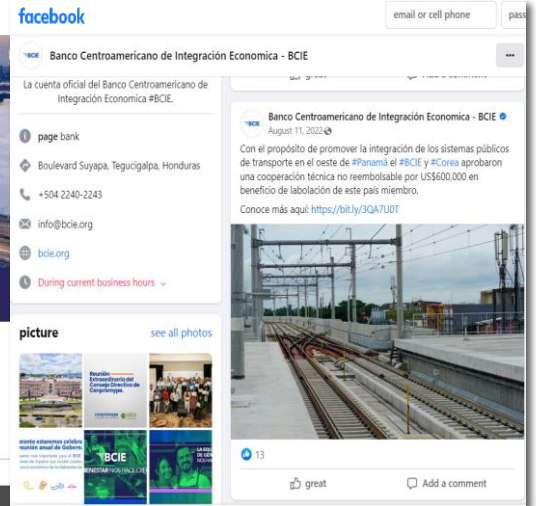
단테 모시 중미경제개발은행(CABEI) 총재(왼쪽 셋째)와 방기선 기획재정부 1차관(왼쪽 넷째) 등 관계자들이 11일 서울 여의도에서 열린 CABEI 한국 사무소 개소식에서 축사를 하고 있다. CABEI는 중미 지역 개발과 경제 통합 투자를 위해 1980년 설립된 다자개발은행이다. (이충우 기자)



3.5 PUBLIC RELATIONS

Communications & Public Outreach

To increase the visibility of KTF, strategic communications and public outreach are essential. KTF and CABEI make use of various virtual platforms such as Twitter, KTF webpage, and YouTube to actively engage with partners, member countries, and a wider audience.



3.6 WAY FORWARD



Despite the region’s comprehensive endeavors to rebound from the pandemic, this year has presented heightened challenges due to escalating fragility and conflicts worldwide. Nonetheless, these obstacles have emphasized the crucial role and increased significance of the Bank in fostering regional development.

CABEI, through KTF, will remain committed to assisting beneficiary countries in navigating the uncertainties and advancing towards recovery. KTF’s financial resources, operational expertise, and institutional partnerships will be harnessed not only to address pressing needs but also contribute to long-term and fundamental enhancement of national capabilities. These efforts will encompass promoting public health, safeguarding the welfare of vulnerable populations, as well as generating high-quality employment opportunities.

KTF will also be leveraged strategically to create enabling environments across the region to attract much-needed private investment from ROK. Technical cooperation resources will help to build a foundation for private sector development and private-public partnerships (PPPs), with the ultimate goal of facilitating loan projects for the countries benefiting from these initiatives.

Moreover, KTF will continue its efforts to incorporate the participation of key Korean institutions, enabling them to contribute their expertise and technical assistance for country-specific and regional initiatives. In select cases, these institutions may also provide co-financing for the Bank’s initiatives in member countries.

Furthermore, boosting trade between ROK and its counterparts in CA through K-CAFTA is another significant focus of KTF’s mission. Facilitating the integration of regional economies into the global value chains is crucial for achieving a more equitable and resilient economic growth, particularly considering the recent supply chain challenges, and can help to mitigate economic risk.

Over the upcoming years, the KTF aims to enhance its level of ambition and build upon its established history of advancing regional development, generating investment prospects, and functioning as a bridge between ROK and the beneficiary countries of CABEI. Lastly, lessons learned will be continuously incorporated to improve the quality of technical cooperation interventions and ensure greater positive impact for CABEI-member countries.

SECTION 4
FINANCIAL STATEMENTS



4.1 BALANCE SHEET

As of December 31, 2022, and 2021
(Expressed in U.S. dollars)

	2022	2021
Assets		
Cash and demand deposits	1,057,655	778,442
Interest-bearing deposits with banks	19,711,417	14,985,015
Accrued interest receivable	93,772	2,856
Other assets	9,317	5,286
Total Assets	20,872,161	15,771,599
Liabilities		
Non-refundable technical cooperations	2,549,300	2,201,281
Other liabilities	295,468	0
Total Liabilities	2,844,768	2,201,281
Net Assets		
Retained earnings	13,570,318	9,551,467
Change in net assets for the period	4,457,075	4,018,851
Total Net Assets	18,027,393	13,570,318
Total Liabilities and Net Assets	20,872,161	15,771,599
Approved technical cooperations	15,280,000	8,410,000

4.2 STATEMENT OF ACTIVITIES

For the years ended on December 31, 2022, and 2021
(Expressed in U.S. dollars)

	<u>2022</u>	<u>2021</u>
Financial income		
Contributions	7,540,067	8,752,271
Management fee	1,330,600	1,544,519
Interest on deposits with banks	305,638	15,977
Total financial income	<u>9,176,305</u>	<u>10,312,767</u>
Administrative expenses		
Administrative expenses	1,303,888	1,472,136
Total administrative expenses	<u>1,303,888</u>	<u>1,472,136</u>
Non-Refundable Technical Cooperations	2,462,709	4,821,780
Total non-refundable Technical Cooperation	<u>2,462,709</u>	<u>4,821,780</u>
Other operating expenses		
Contributions to other funds	1,000,000	0
Total other operating expenses	<u>1,000,000</u>	<u>0</u>
Other operating income		
Foreign exchange gain, net	47,367	0
Total other operating income	<u>47,367</u>	<u>0</u>
Change in net assets for the period	<u>4,457,075</u>	<u>4,018,851</u>
Net assets at the beginning of the period	<u>13,570,318</u>	<u>9,551,467</u>
Net assets at the end of the period	<u>18,027,393</u>	<u>13,570,318</u>

4.3 STATEMENT OF CASH FLOWS

For the years ended on December 31, 2022, and 2021
(Expressed in U.S. dollars)

	2022	2021
Cash flows from operating activities		
Changes in net assets for the period	4,457,075	4,018,851
Non-refundable technical cooperations formalized	2,462,709	4,821,780
Foreign exchange gain, net	(47,367)	
Net (increase) decrease in other assets	(4,031)	42,557
Net increase in accrued interest receivable	(90,916)	(1,498)
Net increase in other liabilities	295,468	0
Non-refundable technical cooperations disbursed	(2,067,323)	(2,620,499)
Net cash provided by operating activities	<u>5,005,615</u>	<u>6,261,191</u>
Net increase in cash and cash equivalents	<u>5,005,615</u>	<u>6,261,191</u>
Cash and cash equivalents at the beginning of period	15,763,457	9,502,266
Cash and cash equivalents at the end of period	<u>20,769,072</u>	<u>15,763,457</u>
Net increase in cash and cash equivalents	<u>5,005,615</u>	<u>6,261,191</u>

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