Rationale

More than 300 million of the world’s poor live in South Asia. Despite the rapid economic growth in South Asia in the recent years, it has not been equitable across the region, and it has been cautioned that it may not be sustained. Reports from agencies like the World Bank and the Asian Development Bank all point to the growing and deepening disparity both within and between the 8 SAARC Member States with high rates of poverty, malnutrition and mortality. They also report that the growth in the region has largely been sustained by an over and unsustainable dependence on natural resources. This dependence is especially fatal for South Asia as the devastating consequences of climate change, changes in rainfall patterns, and frequently changing extreme weather patterns are expected to be more severe for the region.

South Asia has the potential to sustain its rapid economic growth, however, it needs to invest considerably in improving the employment prospects for its young demographic (48% of its population is below the age of 24) and its marginalized communities, including women.

The SAARC Development Fund will support the 8 SAARC Member States to promote sustained and equitable economic growth through enhanced agriculture productivity and access to opportunities for decent employment and income generation.

**OUTCOME STATEMENT:**
Promote inclusive economic growth focusing on improved sustainability and increased resilience of vulnerable individuals and groups

Food Security

Achieving food security in the region remains on the most daunting development challenges for the SAARC region. The majority of the world’s poor and food insecure people live in South Asia. The region itself is not homogenous and are characterized by diverse and distinct agro-ecological zones. The region is also prone to natural disasters and are not immune to the effects of climate change, and the devastating impact it can have on natural environment-critical for ensuring a sustainable supply of food. Agriculture is the dominant sector in all the SAARC member states and is characterized by the presence of small and marginal farmers, and landless farmers, climate change, low level agricultural growth, and rising food prices.
SDF aims to contribute to addressing food insecurity in the SAARC region by supporting projects that have the potential to enhance capacity of small scale and marginalized farmers, supporting interventions to improve crop yield, supply chain promoting technologies, and formation of and enhancing the capacity of farmers’ groups/cooperatives. Projects that contribute to strengthening community resilience to enable communities to withstand shocks from climate change risks and natural disasters will also be supported.

Asian women still work in the informal sector. According to UNESCAP, only 8-9% of the formal small and medium sized enterprises in South Asia are owned by women. SDF firmly believes that investments in promoting the entrepreneurship of women, youth and other marginalized groups are critical in achieving inclusive and sustainable growth in the SAARC region, and promote their participation in the labor market and economic empowerment.

SDF will support projects that create opportunities for decent and inclusive employment. Projects that provide support to micro-enterprises, especially those owned by women and the youth, will be supported provided they lead to improved livelihood and employment opportunities for women and other vulnerable groups across the SAARC region. Access to financial services and products for women and the most vulnerable will also be promoted.

Potential Areas for Collaboration

• Regional efforts to develop sustainable and climate resilient agricultural intensification
• Access to innovative and appropriate agriculture technologies for the most marginalized
• Promotion of youth participation in agriculture
• Strengthening community resilience; early warning systems
• Integrated rural development programmes

Decent Employment and Income Generation

The creation of employment and the promotion of sustainable economic growth are inalienable development goals for all the 8 SAARC Member States. 48% of the South Asian population is below the age of 24, making it the largest share of the world’s youth population.

Despite progress made in achieving gender parity in education, the SAARC region lags in the economic empowerment of women. Majority of the South Asian women still work in the informal sector. According to UNESCAP, only 8-9% of the formal small and medium sized enterprises in South Asia are owned by women. SDF firmly believes that investments in promoting the entrepreneurship of women, youth and other marginalized groups are critical in achieving inclusive and sustainable growth in the SAARC region, and promote their participation in the labor market and economic empowerment.

SDF will support projects that create opportunities for decent and inclusive employment. Projects that provide support to micro-enterprises, especially those owned by women and the youth, will be supported provided they lead to improved livelihood and employment opportunities for women and other vulnerable groups across the SAARC region. Access to financial services and products for women and the most vulnerable will also be promoted.

Potential Areas for Collaboration

• Strengthening the enabling environment for women, youth and other marginalization populations’ economic empowerment
• Enhancing the employability of women and youth through entrepreneurship development and access to essential
Basic Water, Sanitation and Hygiene Services

All 8 SAARC Member States are parties to the relevant human rights conventions and UN resolutions on the human right to water and sanitation. A few countries have even incorporated these into its Constitutions.

To support the Member States to realize these commitments, SDF will seek to promote and provide funding to projects that accelerate and improve the basic access to water and sanitation facilities in the most vulnerable communities of the SAARC region. It will ensure that vulnerable populations in the targeted rural communities benefit from adequate water and sanitation service development, better management of human waste, enhanced capacity of local authorities in the management and distribute of water and sanitation services. It will also ensure that continued emphasis is focused on behavior change, demand creation, and on scaling up of successful interventions by both the communities and relevant authorities. Private sector involvement may also be pursued.
Potential Areas for Collaboration
- Regional approaches that facilitate sharing of knowledge, technology and experience
- Augment national level interventions through regional partnerships and platforms
- Community level interventions to expand access to basic water and sanitation

Nutrition
SDF will support existing initiatives being implemented in South Asia to improve the access to nutrition for the most in need through a multi-sectoral and regional approach. It will support the capacity development of individuals, communities and locally based organizations to expand and scale up its programs to widen its coverage to include the most vulnerable populations. It will also support projects that focus of improving the implementation of regional and national policies and strategies that aim to provide basic and essential nutrition services and support.

Protection Services
Building on existing initiatives supported by SDF such as the South Asia Initiative to End Violence Against Children, and Toll-Free Helplines for Women and Children in SAARC Member States, SDF will work with national machineries and regional initiatives to provide protection and related services to women and children victims of violence. It will also support the capacity development of local organizations and media to better address issues related to women and children, and the protection of their rights.

Potential Areas for Collaboration
- Multisectoral approach to address nutrition (together with the other thematic areas for SW funding)
- Policy and community advocacy on addressing chronic malnutrition at the regional level
- Strengthening capacities of regional and national institutions to address violence against women and children
- Community level initiatives that promote the rights of women, children and people living with disabilities
Rationale

Education has a profound impact on economic development of the regions and is key to improving the human development in all SAARC countries. Despite significant achievements in primary enrollment, the Education for All (EFA) remains a continuing challenge in South Asia. Only 5 out of the 8 countries have managed to reach the South Asian and World averages in terms of secondary education enrolment, and all 8 Member States perform below world averages at the tertiary education levels.

Aside from having low gross enrolment rates at the tertiary level, many young workers in the region are failing to develop the right skills for today’s jobs. In South Asia, employer surveys increasingly suggest that inferior education systems and a shortage of skills are barriers to private sector investment and growth. Rising youth unemployment across the region and within the Member States also point to the inadequacy of the education system to prepare the South Asian youth for today’s world of work.

Children with disabilities in South Asia continue to be excluded from their community and schools. Societal attitudes toward children with disabilities and limited resources available to accommodate their needs adds to their difficulties in assessing education. Along with access to schools, the ability of the education system to ensure and provide quality education for children with disabilities are challenges that South Asian governments are only now acknowledging and trying to understand.

OUTCOME STATEMENT:
Increase opportunities, especially for women and disadvantaged groups through education and skill development

Quality Secondary and Higher Education and Skill development

Investments in education are necessary for raising human development, strong economies, healthier livelihoods and more equitable societies. It is a foundation for sustainable development and for the attainment of the SDGs.

SDF strongly believes that regional efforts must be supported to expand the reach of education at the secondary and tertiary levels, where enrolments rates are still low by improving the quality of education and reducing the inequalities in access. It also believes the education system at these levels should focus on improving the employability of the youth by investing in skill development (technical and vocational education and training)-maximizing on the potential of human capital and reaping the benefit of the demographic dividend of the SAARC region.

To contribute towards improving education outcomes in the SAARC region, SDF will invest in projects that aim towards upgrading the quality of teachers across the SAARC region to support the large and growing population of students with...
diverse learning capabilities and expectations. It will support the piloting and upscaling of innovation in education delivery and the use of ICT in imparting education, and development of skills to prepare youth for the labor market.

The UN Convention on the Rights of the Child, the Education for All Framework, and Convention on the Rights of Persons with Disabilities calls on Governments of its responsibilities 'to take all necessary measures to ensure the full enjoyment by children with disabilities of all human rights and fundamental freedoms on an equal basis with other children.' They also call on Governments to 'ensure an inclusive education system at all levels and lifelong learning.'

In addition, the SDGs call for access to quality education for all children by 2030, requiring commitment and significant investments by Governments in strengthening the inclusion of all children, regardless of their abilities.

SDF will work with the regional bodies and Member States through project funding support to ensure the Member States are able to uphold both regional and international commitments with regard to children's rights, and most specially for children with disabilities. It will support initiatives that strengthen the enabling environment for ensuring access to education for all, including supporting the work of local organizations to complement government and parental support in meeting the needs of children with disabilities.

Potential Areas for Collaboration

- Investments in capacity building for quality education
  - Teachers training
  - Faculty development
  - Innovations
- Investments for skill development
  - Incubation of sector skill councils
  - Investments in skill development centres
  - Curriculum development

Education for Children Living with Disabilities in the SAARC Region

The UN Convention on the Rights of the Child, the Education for All Framework, and Convention on the Rights of Persons with Disabilities calls on and reminds Governments to 

Potential Areas for Collaboration

- Strengthen implementation of Regional Frameworks and Instruments related to children, education and human rights
- Ensure physical access to schools (including water and sanitation) and recreational facilities
- Strengthening of the education system and capacities of teachers for inclusive education
- Piloting and Upscaling of community initiatives that support access to education for children living with disabilities
Rationale

SAARC Member States have dramatically improved their health indicators in the past 15 years such as infant mortality, maternal mortality and skilled birth attendance and stunting though the achievements fell short of the targets set in some countries. Life expectancy rates have significantly increased in all SAARC states, so did the Human Development Index (HDI). Though there were significant improvements in health care and access, there is still a critical need for these countries to continuously take significant strides to achieve their Universal Health Coverage (UHC) goals. Evidence suggests considerable inequalities in health care with the poor and marginalized facing severe deprivation in primary and secondary health care.

Goal 3 of the SDGs (to ensure healthy lives and promote well-being for all at all ages), with its target 3.8 on universal health coverage (UHC), emphasizes the importance of all people and communities having access to quality health services without risking financial hardship. All SAARC Member States have embraced the goal of UHC and have been reforming and strengthening their respective health care systems. These health services include those targeting individuals, such as curative care and population-based services, such as health promotion. However, providing UHC entails commitment of huge budgetary resources in each country and given the fiscal pressures of each country, each of the Member States is constrained in fulfilling its commitment for ensuring UHC.

OUTCOME STATEMENT:
Increase Progress towards Universal Health Coverage in the SAARC Region
Access to Quality Basic Health Services

SDF believes that investments in improving community-based health care delivery and its facilities are critical for addressing the health-related challenges currently facing the SAARC Member States. It also acknowledges the challenges faced by the Member States to provide for increased access and provision of better health care services to its populations.

To support Member States in achieving their UHC goals, SDF will support projects that aim to ensure access to quality health services for the most vulnerable of populations across the SAARC region. Along with the other funding windows of the SDF, it will facilitate both direct and indirect investments into quality health care infrastructures such as basic health units and community hospitals, including investments for ICT enabled health care provision and health information management systems. It will further work with projects that strive to inculcate SAARC standards and agreements for mutual recognition of health care professions/health workers, and accreditation of hospital/care providers in the SAARC region.

Potential Areas for Collaboration

- Advocacy, policy and institutional strengthening
- Investments in Health infrastructure in rural areas (together with the other funding windows of SDF)
- Investments in HMIS
- Promotion of technology-based health delivery solutions

Contact

Chief Executive Officer at ceo@sdfsec.org
Director, Social Window, Admin & Finance at anuj@sdfsec.org
Assistant Director, Social Window at pem@sdfsec.org

SAARC Development Fund

SAARC Development Fund, III Floor, BDBL Building, Norzin Lam, Post Box No 928, Thimphu, Bhutan, Ph No: +975-2-321152/53.