



SAARC

SAARC Development Fund



Afghanistan



Bangladesh



Bhutan



India



Maldives



Nepal



Pakistan



Sri Lanka

SAARC Development Fund

Year-End Newsletter, December 2023



a peak into our YEAR



The SAARC Development Fund team would like to wish you a Happy New Year, **2024!**

Greetings from SAARC Development Fund.

In 2023, we have made significant strides in promoting the well-being of the people of the SAARC region, thanks to the substantial support we have received from all of you. As we enter the new year, let us aspire to collaborate on fresh initiatives that will enhance the quality of life for people in South Asia.

Our Year-End Newsletter for December 2023 provides insights into SDF's ongoing dedication and includes updates and stories from the field. It reflects the journey of the Fund and the SDF Secretariat, which was established 13 years ago by the Heads of the SAARC Member States to promote the welfare of the region's people, improve their quality of life, and accelerate economic growth, social progress, and poverty alleviation through project implementation.

While we have made significant progress, there is still much to be done as SDF continues its mandate of fostering regional integration through project-based collaboration.

SDF operates through the three financing windows: Social, Economic and Infrastructure. SDF has over 90 projects approved by the SDF Board under these three funding windows.

The trust of our partners is the cornerstone of our work. We wish to express our deep appreciation for the significant contributions of all our partners in working with us to achieve sustainable results through our projects in the SAARC Member States.

The SDF team would like to extend warm wishes for a happy, healthy and prosperous New Year!



SAARC
SAARC Development Fund

SDF observes the 39th SAARC Charter Day and announces its vision for regional progress



Thimphu Bhutan, 8 December 2023 – The SAARC Development Fund (SDF) marked the Thirty-ninth SAARC Charter Day, commemorating the historic adoption of the SAARC Charter on December 8, 1985.

Each year, the SAARC Development Fund – a specialized body emerging from the SAARC more than 12 years ago and the only SAARC organisation headquartered in Thimphu Bhutan – commemorates the occasion alongside its partners.

Hon'ble Cabinet Secretary Dasho Kesang Deki, who was the Chief Guest, emphasized Bhutan's commitment as a founding member of SAARC. The SAARC, as articulated by Secretary Dasho Kesang Deki, has faced challenges and celebrated successes together, showing the world that diversity can be a source of strength and harmony. "Our collective efforts have brought significant progress in various realms, creating a tapestry of achievements that span economic collaboration, social upliftment, cultural exchange, and tackling common issues like climate change," she said. "Let us today recommit ourselves to strengthen SAARC to meet the growing expectations of our peoples in the region and let us honor and pay homage to the visionary leaders who laid the foundation."

The Officer-In-Charge of SDF, Mr. Satya Shiva Saswat, reiterated the SDF's commitment towards promoting regional integration and economic cooperation among SAARC Member States through project funding and collaboration. With over 90 projects implemented across 15 thematic areas in SAARC Member States, SDF has disbursed close to USD 75 million. The successful

projects implemented/under implementation are in health, education, agriculture, forestry, regional transport facilitation, water, sanitation and hygiene sectors.

SDF acknowledged its collaboration with government ministries of the Member States and with reputed institutions and civil society organizations. Through such joint efforts, SDF actively contributes to supporting livelihood initiatives for home-based workers, strengthening water sanitation, and hygiene services, integrated bamboo-based enterprise development, empowering women entrepreneurs and facilitating regional transport connectivity.

Going forward, SDF envisions to address global challenges through a three-pronged approach of: 1. Designing projects in collaboration with development partners, reputed research organizations, academia which are cross cutting rather than sector-specific. This will enable larger developmental impact and can address the need for having robust climate resilient infrastructures; 2. Gradually switching over from a plain grant-based and concessional-based structure to a blended finance approach in tune with the developing pace of Member States and play a catalytic role to attract private capital; and 3. Actively engaging with stakeholders to have public-private-partnership model to implement development projects ensuring private sector participation and their reach to finance from SDF. Joint ventures among private enterprises of Member States in the region will pave way for social economic development and much needed employment generation for the talented youth in the region.

Transforming Agriculture: C-SUCSeS Project's Climate-Smart Innovations in South Asia



The C-SUCSeS project, a collaboration between the International Fund for Agricultural Development (IFAD), the SAARC Agriculture Centre (SAC), and the SAARC Development Fund (SDF), is revolutionizing farming practices in South Asia with its introduction of “bed planting” technology. This innovative approach not only helps farmers adapt to climate variability but also boosts crop yields and sustainability in the region.

With South Asia being highly vulnerable to climate change, especially in its agricultural sector, the C-SUCSeS project aims to develop evidence-based strategies for addressing climate impacts and promoting sustainable agriculture. Bed planting technology, which combines soil tillage, bed formation, fertilizer application, and seed sowing in a single pass, has proven to be highly advantageous, leading to increased yields in various crops during the Rabi season.

Given that agriculture remains a primary livelihood for over 50 percent of the population in South Asia, the region's vulnerability to climate change poses a significant threat to food security and livelihoods. The C-SUCSeS project seeks to integrate climate adaptation and mitigation strategies into agricultural practices to ensure the resilience of

farming communities. More than 750 million people in the SAARC countries were affected by one of more climate related disasters in the last two decades.

Through capacity-building initiatives and the promotion of climate-smart technologies, the partnership aims to foster sustainable and resilient agricultural intensification in South Asia. By doing so, it hopes to safeguard the food, nutrition, and livelihood security of millions of people in the region who depend on agriculture for their well-being.



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Empowering Communities: The Rise of Sustainable Bamboo Products in Bangladesh

Many families in Bangladesh's northwestern districts of Nilphamari and Dinajpur are earning their living by making different bamboo products, actively engaged every day in creating household appliances and lifestyle products.

These artisans have mastered the art of transforming bamboo into an array of products, from household appliances to lifestyle items, showcasing their creativity and skill. Though little known to the outside world, these artisans, especially women, are trained and equipped to create wonders in bamboo – from baskets and lampshades to bamboo pens and furniture, creativity of these artisans knows no limit!

45-year-old Minoti Rani is one of the artisans trained as a master trainer under the SDF-funded project “Promoting Integrated Bamboo Based Enterprise Development among SAARC Countries”. Implemented by the Bangladesh Rural Improvement Foundation (BRIF) in Bangladesh, Minoti has further trained over 400 women in Nilphamari district alone, empowering them with valuable skills and knowledge.

As cottage industries based on bamboo, cane and some other fibrous plants face competition to the flourishing plastic goods in the market, these artisans remain dedicated to their craft, driven by the increasing demand for bamboo products in both rural and town areas.

Mr. Shah Ahsan Habib, the Executive Director of the Bangladesh Rural Improvement Foundation (BRIF), emphasizes the unique qualities of bamboo as a sustainable alternative to plastic. He highlights bamboo's natural, biodegradable, and versatile nature, urging consumers to choose bamboo products for their quality and durability.

The SDF project has played a pivotal role in training over 1,000 artisans in handicrafts, lifestyle products, and furniture making. Participants from thousands of households are equipped with comprehensive knowledge of bamboo cultivation and processing, ensuring a sustainable supply chain. Additionally, the project has established two Community Facility Centers and provided essential equipment, further supporting the local bamboo industry.

Bamboo's resilience in tropical climates makes it an abundant and versatile resource for these artisans. Their creations range from traditional baskets and lampshades



to innovative products such as winnowing-fan, boxes, fish-traps, hand-fans and frames, showcasing the versatility of this eco-friendly material.

BRIF's executive director emphasizes the urgency of embracing sustainable practices, urging consumers to prioritize bamboo-based products. He believes that by gradually adopting these eco-friendly alternatives, communities can contribute to a greener economy.

The rise of bamboo craftsmanship not only empowers local communities but also promotes sustainable living practices. With continued support and awareness, bamboo products have the potential to redefine consumer choices and contribute to a more environmentally conscious society. “There is a wide range of daily use products made from bamboo, which we can gradually start adopting one by one,” Mr. Habib said.

UPDATES FROM THE FIELD



The inaugural batch of trainees at the Bhutan TSHAR Institute in Kalapang, Mongar in Eastern Bhutan, successfully completed their Bamboo Furniture Production Training from September 28 to October 28, 2023. This intensive month-long program, attended by 11 participants (9 men and 2 women) from Tading Gewog, Samtse district, equipped them with the necessary skills to excel in this field. The trainees were honored with certificates of completion, marking their achievement.

Established as part of the project "Promoting Integrated Bamboo-Based Enterprise Development Among SAARC Countries," the Bhutan TSHAR Institute is a testament to the commitment of the Tarayana Foundation and the support

of the SAARC Development Fund. This institute is dedicated to advancing the development and promotion of cane and bamboo products through innovative technologies and skill enhancement.

The institute's significance was underscored by the visit of Her Majesty the Queen Mother, Gyalyum Dorji Wangmo Wangchuck, the Hon'ble Founding President of Tarayana Foundation, who personally inaugurated the facility in Kalapang, Mongar, in October 2023. Funded by the SAARC Development Fund, the Bhutan TSHAR Institute stands as a symbol of progress and collaboration in the region. The virtual inauguration of the TSHAR Institute took place on June 10th, 2023, during the Tarayana Annual Fair in Thimphu.



Update from our Bamboo Project site in India

In November 2023, the Foundation of MSME Clusters (FMC), in partnership with SDF achieved a significant milestone by planting 8,000 bamboo saplings in Nongrim Nongladaw village, Ribhoi, Meghalaya, India. Bamboo plantation stands as a sustainable practice of immense ecological, economic, and cultural importance. Its rapid growth, versatility, and extensive range of applications make bamboo a valuable asset in addressing environmental challenges and fostering socio-economic advancement.



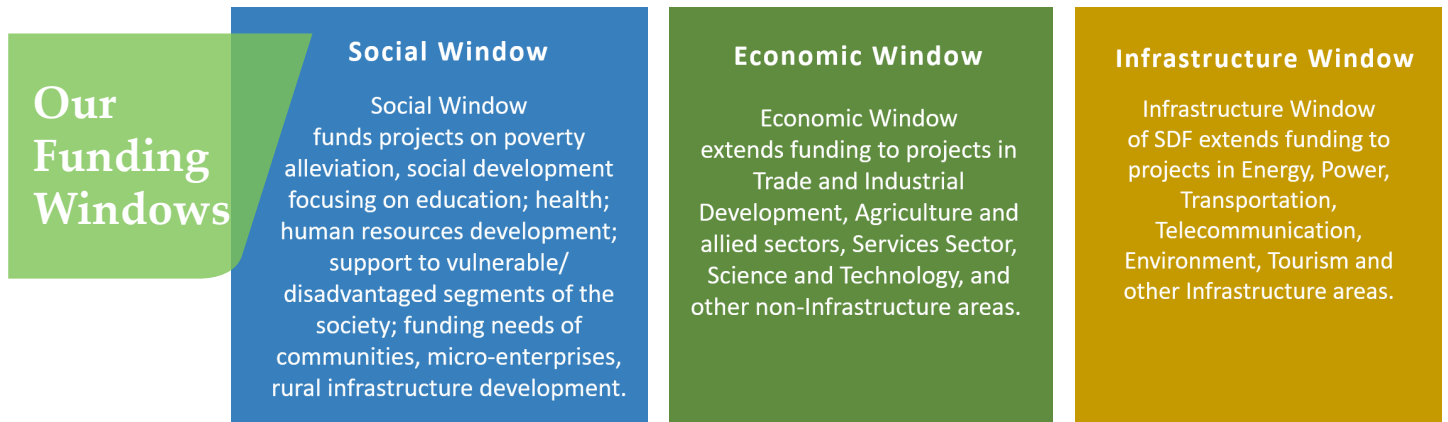
IN Brief: Ensuring swift fund disbursements to drive regional growth

In 2023, the SAARC Development Fund achieved a milestone by completing grant disbursements totaling USD 1.29 million. This brings the total disbursement under the SDF Social Window to over USD 55.7 million for projects across the Member States.

As the demand for investment grows, the size of disbursements is expected to increase further in the coming months. These disbursement figures underscore the SDF's unwavering commitment to enhancing the lives of people throughout the region. By swiftly disbursing funds for vital projects, the SDF is committed to positive change and driving impactful development initiatives.

The Social Window team emphasizes the pivotal role of these regional projects and the profound impact they have on communities. Recognizing the importance of timely fund disbursement, the team is dedicated to ensuring that these initiatives yield tangible results on the ground.

The commitment extends beyond financial figures, reflecting a genuine desire to witness meaningful and sustainable progress in the lives of the people. As SDF continues to expand its reach and impact, its commitment to facilitating impactful projects remains unwavering.



ECONOMIC & INFRASTRUCTURE WINDOW

The Economic & Infrastructure (E&I) Windows of the fund provides loans for financing both sovereign and non-sovereign projects in the SAARC Member States. The mandate of the E&I windows is to finance economic and infrastructure projects in the member states with direct benefit going to at least 2 member states. The lending is guided by the SDF Board-approved Credit policy and E&I policy guidelines.

SDF's E&I team continues to strategize in order to garner sound bankable projects and have initiated meetings and field missions to build and strengthen partnership with several relevant organizations and partners. The team continued with their discussions with various partners this year.



SDF's Economic and Infrastructure team had a fruitful meeting in December this year with Mr. Abdoulaye Seck, World Bank Country Director for Bangladesh and Bhutan. They discussed possible collaboration in infrastructure, transportation, energy, climate change and other sectors.

PARTNERSHIP AND EVENTS

SDF team welcomed the delegation from Project DANTAK in Bhutan, led by its Chief Engineer Brigadier Jaswinder Singh, to the SDF secretariat to discuss ongoing collaboration and experience in the region



The SDF secretariat has successfully undergone its Statutory Audit, conducted by auditors from Ernst & Young, Chartered Accountants, Sri Lanka, who visited the Secretariat from December 11-13, 2023.

Who we are?



SAARC Development Fund Secretariat was established in April 2010 by the heads of the eight member countries of South Asian Association for Regional Cooperation (SAARC) – Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

Our mandate is to promote the welfare of the people of SAARC region, to improve their quality of life, to accelerate economic growth, social progress and poverty alleviation in the region and to contribute to “Regional Cooperation and Integration through Project Collaboration”.

SDF manages projects in all the SAARC Member States under its three investment Windows: Social, Economic and Infrastructure Windows. For details, Visit Website: www.sdfsec.org



Towards Regional Integration and Economic Cooperation Through Project Funding





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