



Afghanistan



Bangladesh



Bhutan



India



Maldives



Nepal



Pakistan



Sri Lanka



*Presentation
On
Achievements, Current Status and
Future Strategic Action Plan*

(10 Years of SAARC Development Fund)

By CEO, SDF Dr Sunil Motiwal



Regional Cooperation and Integration Through Project Collaboration

www.sdfsec.org <https://www.facebook.com/SaarcDevelopmentFund/> https://twitter.com/sdf_saarc

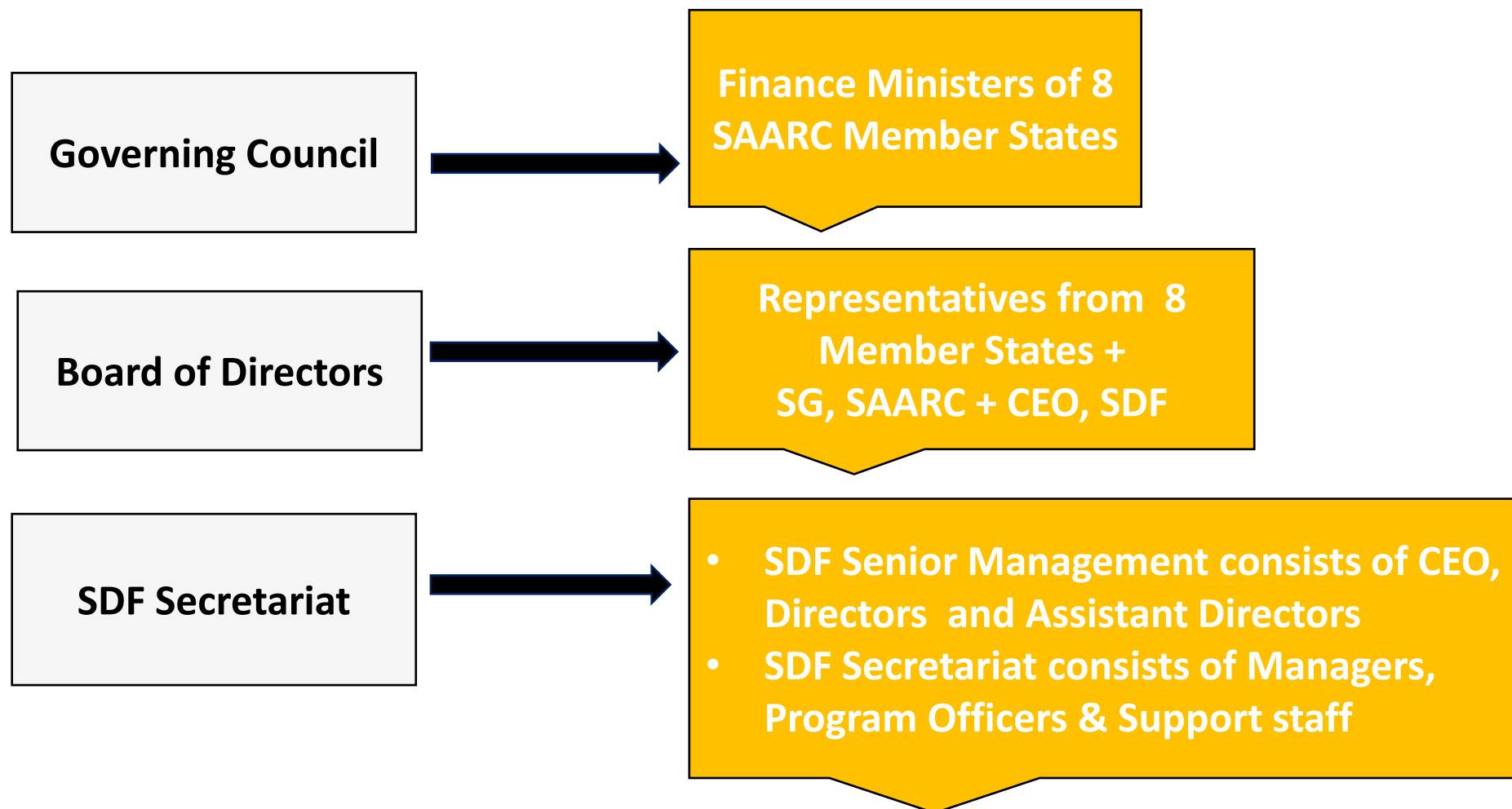


SDF was inaugurated in 2010 by heads of the eight SAARC Member States – Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

Year 2020: 10 YEARS Of SDF

As a regional funding institution for programmes and projects in all the eight SAARC Member States, 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*”.

Governance Structure of SDF



SDF Funding Windows

❖ **Social Window** funds projects on poverty alleviation, social development focusing on education; health; human resources development; support to vulnerable/disadvantaged segments of the society; funding needs of communities, micro-enterprises, rural infrastructure development.

- ❖ **Economic Window** extends funding to projects in Trade and Industrial Development, Agriculture and allied sectors, Services Sector, Science and Technology, and other non-Infrastructure areas.
- **Micro Small and Medium Enterprise (MSME) program:** SDF proposes to fund MSME program in SAARC Member States. MSME funding scheme within the Economic Window of SDF. The MSME Funding Scheme of SDF has recently been approved in the 30th SDF Board meeting.

❖ **Infrastructure Window** of SDF extends funding to projects in Energy, Power, Transportation, Telecommunication, Environment, Tourism and other Infrastructure areas

SDF Funded Projects Geographical Representation



SAARC Development Fund



SAARC DEVELOPMENT FUND (SDF) FUNDED PROJECTS IN SAARC REGION

AFGHANISTAN

SOCIAL WINDOW

1. SABAH
2. MCH
3. ZECS
4. SAIEVAC
5. POST HARVEST
6. TOLL FREE
7. WASH
8. BAMBOO
9. NETWORKING
10. LIVELIHOOD
11. C-SUCSeS
12. SAARC B2B

PAKISTAN

SOCIAL WINDOW

1. SABAH
2. MCH
3. SAIEVAC
4. POST HARVEST
5. TOLL FREE
6. WASH
7. BAMBOO
8. NETWORKING
9. LIVELIHOOD
10. C-SUCSeS
11. SAARC B2B

INDIA

SOCIAL WINDOW

1. ZECS
2. WASH
3. BAMBOO
4. NETWORKING
5. LIVELIHOOD
6. C-SUCSeS
7. SAARC B2B

NEPAL

INFRASTRUCTURE WINDOW

1. 37 MW Upper Trishuli Hydroelectric Power Plant
2. Expansion of Koshi Corridor 220 KV Transmission Line
3. 900 MW Upper Kamali Hydropower Project

SOCIAL WINDOW

1. SABAH
2. MCH
3. ZECS
4. CeC
5. SAIEVAC
6. POST HARVEST
7. TOLL FREE
8. WASH
9. BAMBOO
10. NETWORKING
11. LIVELIHOOD
12. C-SUCSeS
13. SAARC B2B

BHUTAN

ECONOMIC WINDOW

1. Purchase of New ATR Aircraft

SOCIAL WINDOW

1. SABAH
2. MCH
3. ZECS
4. CeC
5. SAIEVAC
6. POST HARVEST
7. TOLL FREE
8. WASH
9. BAMBOO
10. NETWORKING
11. LIVELIHOOD
12. C-SUCSeS
13. SAARC B2B

BANGLADESH

SOCIAL WINDOW

1. SABAH
2. MCH
3. CeC
4. SAIEVAC
5. POST HARVEST
6. CRP
7. TOLL FREE
8. BAMBOO
9. NETWORKING
10. LIVELIHOOD
11. C-SUCSeS
12. SAARC B2B

SRI LANKA

INFRASTRUCTURE WINDOW

1. 13.2 MW Waste to Energy Project

SOCIAL WINDOW

1. SABAH
2. MCH
3. SAIEVAC
4. POST HARVEST
5. TOLL FREE
6. WASH
7. NETWORKING
8. LIVELIHOOD
9. C-SUCSeS
10. SAARC B2B

MALDIVES

SOCIAL WINDOW

1. SABAH
2. MCH
3. CeC
4. SAIEVAC
5. TOLL FREE
6. NETWORKING
7. LIVELIHOOD
8. SAARC B2B

PROJECTS - ECONOMIC & INFRASTRUCTURE WINDOWS

1. Purchase of new ATR aircraft for Drukair Corporation under sovereign guarantee extended by the Royal Government of Bhutan
2. 37MW Upper Trishuli Hydroelectric power plant for the SPV- Trishuli Jal Vidyut Company Ltd with SDF financing up to USD 15 million.
3. Proposal to finance Government of Nepal for onward lending to Nepal Electricity Authority (NEA) for Expansion of Koshi Corridor 220 kV Transmission Line Project being extended to the Government of Nepal
4. 900 MW GMR Upper Kamali Hydropower Project in Nepal*
5. 13.2 MW Waste to Energy Project of Fairway Waste Management Private Limited in Sri Lanka*

*In-principle approved



Financial Achievements

SDF Capital Structure	
SDF Authorized Capital	USD 1.5 Billion
SDF Total Capital Base	USD 540.55 Million
Cumulative Return on Investment (Unaudited Provisional Figure)	USD 145.41 Million
SDF Fund Commitments	
Under Social Window	USD 73.74 Million
Under Economic & Infrastructure Windows	USD 73 Million
Under MSME Program	USD 50 Million
Fund Disbursement	
Under Social Window	USD 48.86 Million
Under Economic & Infrastructure Windows	USD 13 Million

**SDF financials are audited by certified international external auditors*



Fund Allocation Status

The available fund under each window after deducting the fund commitment as on Dec 2019 (Unaudited figure) is furnished below:

Windows	Allocation (USD) in million	Commitment (USD) in million	Disbursement (USD) in million	Available Fund (USD) in million
Social Window	121.81	73.74	48.65	48.06
Economic Window	194.47	13.00	13.00	181.47
Infrastructure Window	187.38	-	-	187.38
Total	503.65	86.74	61.65	416.91

Achievements under the Social Windows

Projects Approved

Implementing 80 projects (in 12 areas) under the Social window.

Funds disbursed

Disbursed USD 48.86 million for Social Window projects in all the SAARC Member States

The regional Social Window projects include strengthening the livelihood of home-based workers (SABAH), reducing the mother and child mortality, addressing the needs of farmers, providing Zero-Energy Cold storage facilities for agricultural products, delivering connectivity and content of e-governance to rural folks through ICT, ending violence against children and women, supporting inter-professional Masters Programme in rehabilitation science, improving access to water, sanitation and hygiene in the SAARC region and setting up a consortium of climate smart agriculture in South Asia.

54 Projects completed and 22 successfully closed

Status of SDF projects

SOCIAL WINDOW PROJECTS			
SI No	Description of Project	Participating Member States	Amount (USD Million)
1	Strengthening the livelihood initiative for home based workers in SAARC Region	All SAARC Member States	21.07
2	Strengthening Maternal and Child Health Including Immunization	All SAARC Member States	15.04
3	Scaling up of Zero Energy Cold Storage (ZECS) technology for the horticultural commodities in the high hills of SAARC countries	Afghanistan, Bhutan, India and Nepal	3.38
4	Empowering Rural Communities : Reaching the Unreached	Bangladesh, Bhutan, Maldives and Nepal	7.94
5	South Asia Initiative to End Violence Against Children (SAIEVAC)	All SAARC Member States except India	2.60
6	Post- Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries	All SAARC Member States except India	4.98

Status of SDF projects

SOCIAL WINDOW PROJECTS ..conti			
SI No	Description of Project	Participating Member States	Amount (USD Million)
7	Regional Inter-professional Master's Program in Rehabilitation Science	All SAARC Member States. Implemented by the Center for Rehabilitation of Paralyzed (CRP), Bangladesh	1.50
8	Toll Free Helplines for Women and Children in SAARC Member States	All SAARC Member States except India	4.00
9	Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries	Afghanistan, Bhutan, India, Nepal, Pakistan and Sri Lanka	6.30
10	Promoting Integrated Bamboo Based Enterprise Development among SAARC Countries	Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan	4.39
11	Networking and capacity building of women entrepreneurs (SMEs) from SAARC Countries	All SAARC Member States	0.73
12	Livelihood enhancement of small farmers in SAARC region through small agro-business focusing on value chain development	All SAARC Member States	1.81



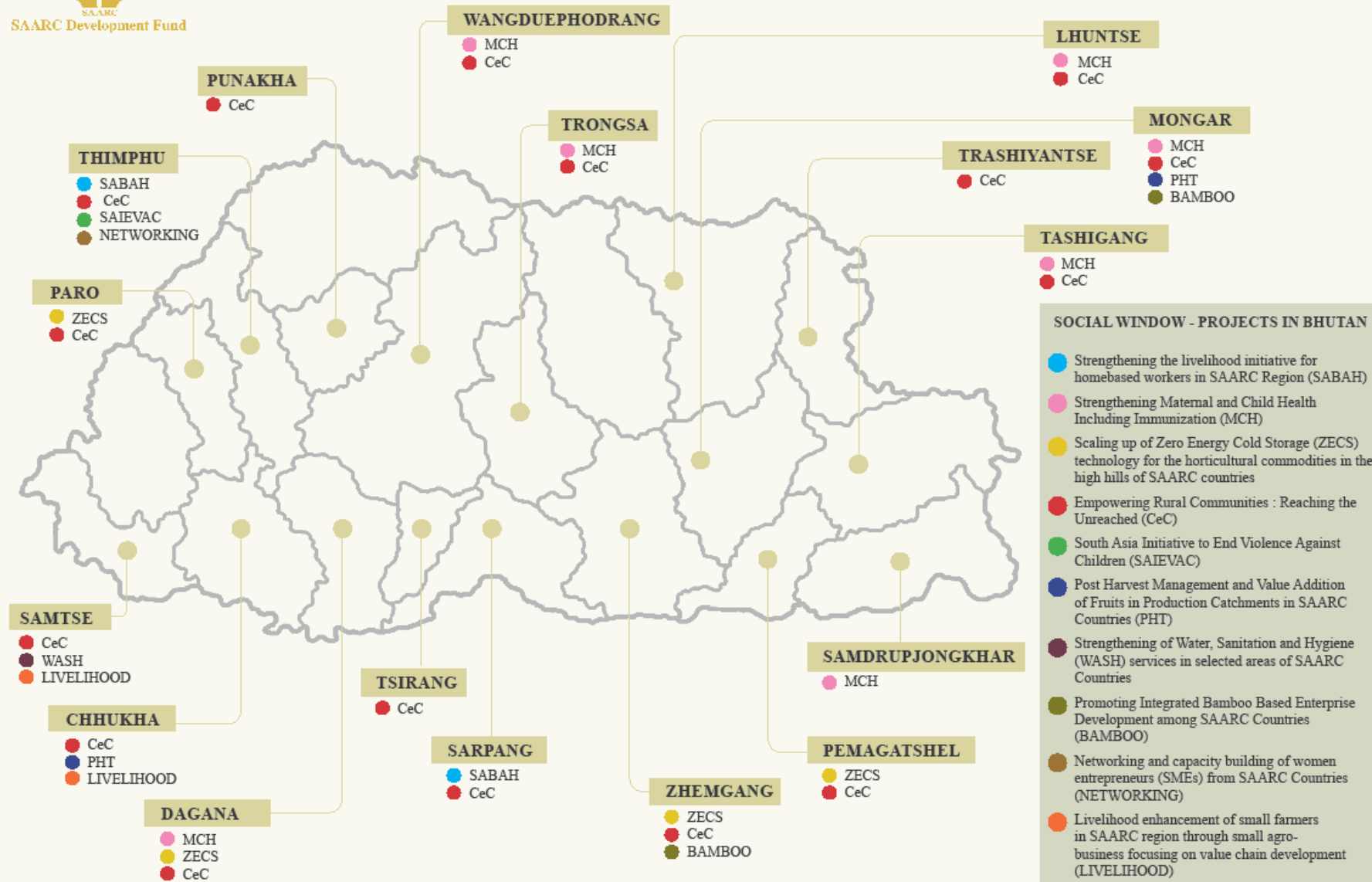
Status of project closure

Project Name	Participating Countries	Project Closure Completed	Project closure in process
SABAH	Afghanistan	Phase I- Closed	
		Phase II- Closed	
	Bangladesh	Phase I-Closed	
			Phase II - In process
	Bhutan	Phase I- Closed	
		Phase II- Closed	
	Maldives		Phase I- In process
			Phase II - In process
	Nepal	Phase I - Closed	
		Phase II- Closed	
	Pakistan	Phase I - Closed	
		Phase II- Closed	
	Sri Lanka		Phase I- In process
			Phase II - In process
	LIA - INDIA	Phase I- Closed	
		Phase II- Closed	
MCH	Afghanistan		in process
	Bangladesh		In process
	Bhutan		In process
	Maldives		In process
	Nepal		In process
	Sri Lanka		In process
	LIA		In process
WASH	Afghanistan		In process
	Bhutan		In process
	India - IA		In process
	India - LIA		In process
	Pakistan		In process
	Sri Lanka		In process

ZECS	Afghanistan		In process
	Bhutan		In process
	Nepal		In process
	India		In process
CeC	Bangladesh	Closed	
	Bhutan	Closed	
	Maldives		In process
	Nepal	Closed	
	LIA	Closed	
	Afghanistan		In process
	Bangladesh	Closed	
SAIEVAC	Bhutan	Closed	
	Maldives		In process
	Nepal -IA	Closed	
	LIA - Nepal	Closed	
	Pakistan		In process
	Sri Lanka	Closed	
Post Harvest	Afghanistan		In process
	Bangladesh	Closed	
	Bhutan	Closed	
	Nepal		In process
	Pakistan		In process
	Sri Lanka		In process
	LIA		In process
Center for Rehabilitation of Paralyzed	Bangladesh		in process
Total		22	32

SDF Funded Social Window Projects in Bhutan

SAARC DEVELOPMENT FUND (SDF) FUNDED PROJECTS IN BHUTAN



SDF Funded Projects in Bhutan

Economic and Infrastructure Windows:

Purchase of ATR Aircraft for Druk Air : USD 13 M

Micro, Small and Medium Enterprises (MSME) : USD 10 M

Social Window:

SDF's fund commitment for Bhutan : USD 8.48 M

Total disbursement (as of June 2020) : USD 7.71 M

Projects supported and implemented : 10

Ongoing projects : 3

Closed projects : 7

Total: USD 39.19 M

Board-Approved project: *IFAD - Consortium for Scaling Up Climate Smart Agriculture in South Asia*

For Afghanistan, Bangladesh, Bhutan, Pakistan and Sri Lanka :USD 0.75 million

Board Approval is awaited for:

World Food Programme “*Scaling up fortified rice through social safety net programs across Bhutan, Nepal & Sri Lanka.*” : USD 2.25 M (Bhutan component)

Proposal from the Ministry of Health, Bhutan for COVID-19 Emergency Financial grant: USD 1 M

SDF Funded Social Window Projects in Bhutan



SAARC Development Fund

SAARC DEVELOPMENT FUND SECRETARIAT

SDF PROJECTS: Bhutan

SOCIAL WINDOW

SL. No.	Name of Project	Implementing Agency in Bhutan	Total Project Budget (Commitment from SDF)	Funding from SDF for Bhutan
	Approved Projects:		US \$	US \$
1	Strengthening the livelihood initiative for home based workers in SAARC Region	SABAH Bhutan	21,075,821	2,074,057
2	Strengthening Maternal and Child Health Including Immunization	Reproductive Health Programme, Department of Public Health, Ministry of Health, Thimphu, Bhutan	15,039,229	1,172,875
3	Scaling up of Zero Energy Cold Storage (ZECS) technology for the horticultural commodities in the high hills of SAARC countries	National Post Harvest Center, Department of Agriculture, Ministry of Agriculture and Forests	3,380,945	517,459
4	Empowering Rural Communities : Reaching the Unreached	Department of Information Technology and Telecom, MoIC	7,938,335	2,533,371
5	South Asia Initiative to End Violence Against Children (SAIEVAC)	National Commission for Women and Children (NCWC)	2,600,000	197,500
6	Post Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries	National Post-Harvest Center, Department of Agriculture, MoAF	4,979,075	582,000
7	Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries)	Conversation and Sustainable Livelihood Program, Royal Society for Protection of Nature	6,298,408	566,885
8	Toll Free Helplines for Women and Children in SAARC Member States	N/A	4,000,000	328,700
	Total (approved projects)		65,311,813	7,972,847

Achievements under Social Window



115 Community e-Centers (CeCs)
- CeC Project



12 Zero Energy Cold Storage-
ZECS project.



52 Special Care Newborn
Units- MCH Project



8 Trade Facilitation Centers
(TFCs)- SABAH Project.



24 Community Facilitation
Centers(CFCs)- SABAH Project



1 five-floor international students
hostel - CRP Project



12 pack houses, 6 processing centers, 6
cold stores, 2 fruit ripening chambers
and 3 banana value addition facilities-
Post-Harvest Project.

Equipment installed in SAARC MS



Medical equipment for 52 District Hospitals, 242 Sub-district Hospitals and 1,180 Health Post Centers / Community Health Centers- MCH Project



Equipment for 8 TFC, 24 CFC, 391 CeC, 1 Computer Lab, 18 Packing and Processing Centers, Classroom equipment and furniture for MSc. in Rehabilitation Science- SABAH, CeC, CRP, Post Harvest Project.



Trainings for:
16,080 Home-based Workers,
638 CeC Operators/
entrepreneurs, 454 doctors,
nurses and bio-medics.

Sustainability and advocacy



Sustainability

- **9,755** home-based workers (HBW) got regular work from the TFCs- SABAH project
- **USD 2.16 million** sales proceeds of home-based workers' products & 23 sales outlets run by Women HBWs- SABAH Project



Advocacy:

- **251,700** outreach/awareness material on Child Protection printed and distributed- SAIEVAC Project
- Developed **2005 IEC** materials on Child Projection- SAIEVAC Project
- **5,243 people** (media, parents, students, parliamentarian) sensitized on Violence against Children (VAC)- SAIEVAC Project

Highlights

1. Total Projects Received: **15 Proposals**
2. How many considered for this meeting: **11 Project Proposals (7 COVID 19 and 4 Social Window)**
3. How many on hold: **2 Proposals**
4. Who are the proponents: **Mostly Government Ministries/Agencies, and Autonomous Bodies/ International Agencies**
5. How much funding in total is being requested for COVID-19 projects and SW new projects: **USD 20.9 million**
 - ❖ COVID-19: **USD 7.7 million**
 - ❖ Social Window New projects: **USD 13.2 million**
6. Total fund available under Social Window: **USD 48.06 million out of 121.81 million total allocated for Social Window**

Recently approved project under Social Window

Title	<p>Consortium for Scaling Up Climate Smart Agriculture in South Asia</p> <p>IFAD- International Fund for Agricultural Development</p>
Objective	To promote sustainable and resilient agricultural intensification in south Asia through enhanced capacity to scale up CSA strategies and technologies.
Implementing Agency	<p>1. National Agricultural Research and Extension Systems (NARES)</p> <p>2. SAARC Agricultural Centre (SAC)</p>
Proposed Budget	<p>Total fund commitment of USD 3.65 million (Cash and In-Kind)</p> <p>Total fund- USD 3.65 million (Cash and In-Kind)</p> <p>SDF- Cash USD 0.75 million</p> <p>IFAD –cash contribution USD 1.5 million</p> <p>In-kind Contribution: USD 1.4 m (USD 0.25m SAARC Agricultural Centre, USD 0.25m International Food Policy Research Institute, USD 0.6m Global Program on climate change adaptation & Food Security, USD 0.3 m National Agricultural Research & Extension Systems).</p> <p>Cash Contribution: USD 2.25 million</p>
Beneficiaries	Small holder farmers in SAARC Member States
Project Duration	3 Years (2020 – 2022)
MS participation	Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan and Sri Lanka.

New Social Window Projects (under Active Consideration)

Proponent and Proposal Title	1.Total Budget 2.SDF Grant 3.Co-Finance	Duration	MS and Implementing Partners	Focus Areas
1. World Food Programme (WFP) Regional Bureau for Asia and Pacific, Thailand <i>“Scaling up fortified rice through social safety net programs across Bhutan, Nepal and Sri Lanka.”</i>	1.USD 25,655,222 2. USD 8,589,222 3.USD 17,066,000 RGOB(Cash): USD 6,722,000.00 WFP Bhutan (Cash): USD 110,000.00 WFP Nepal (Cash): USD 245,000.00 GON (Cash): USD 5,789,000.00 National Food Promotion Board, Ministry of agriculture, Govt of Sri Lanka (Cash): USD 4,200,000.00	(3 years)	Bhutan Led by Dept of Agriculture of Ministry of Agriculture and Forests through Bhutan Food Fortification Taskforce comprising of below agencies: <ul style="list-style-type: none"> Ministry of Health (MoH), Ministry of Education (MoE), Gross National Happiness Commission, Bhutan Agriculture and Food Regulatory Authority, Food Corporation of Bhutan Ltd. World Food Programme (WFP) Nepal <ul style="list-style-type: none"> WFP Nepal Ministry of Industry, Commerce and Supplies, Govt of Nepal Nepal Food Corporation, Govt of Nepal Dept of Food Technology and Quality Control/Ministry of Agriculture & Livestock Development, Govt of Nepal Sri Lanka <ul style="list-style-type: none"> WFP, Sri Lanka National Food Promotion Board, Ministry of Agriculture, Sri Lanka 	<ol style="list-style-type: none"> To provide technical assistance and capacity strengthening support to the government for expanding the distribution of fortified rice through national social safety net programs; To provide technical assistance and capacity strengthening support to the regulatory and food safety agencies for an enabling policy and regulatory environment for rice and other staple food fortification; and To increase awareness about healthy diets and adequate nutrient intake among the target population. Beneficiaries: <ul style="list-style-type: none"> approximately 800,000 school children in Sri Lanka and Bhutan by introducing fortified rice through school feeding programme and in Nepal 200,000 beneficiaries among vulnerable groups through the social safety net programme in remote geographies. In addition to the above beneficiaries the project will also benefit: 1,000 government officials from the Ministry of Agriculture, Ministry of Health, NFPB and MPSC will receive training on standard setting, food safety and quality assurance (50 percent female, 50 percent female) 5,000 schoolteachers and school caterers will receive training on rice fortification and food safety practices (70 percent female, 30 percent male)

New Social Window Projects (under Active Consideration)

Proponent and Proposal Title	1.Total Budget 2.SDF Grant 3.Co-Finance	Duration	MS and Implementing Partners	Focus Areas
2. Water Aid “Strengthening poor and vulnerable communities in Bangladesh, India, Nepal and Pakistan impacted by extreme climate risks and disasters with climate resilient, inclusive and sustainable water and sanitation services.”	1.USD 6.8 Mn 2. USD 3.4 Mn 3.USD 3.4 Mn	(3 years)	Bangladesh India Nepal Pakistan	1. Climate impacted vulnerable communities supported to plan and implement resilient, inclusive, water and sanitation services, including environmental sanitation 2. Local government institutions at sub-district/district level provided with technical support to improve climate resilient water and sanitation services for target communities 3. Climate resilient WASH models, research, documentation and evidence based advocacy to influence policy and practice at state/provincial/national and South Asia regional level Beneficiaries: Communities in the 4 countries with poor and excluded socio-economic backgrounds (women, children, people with disabilities, ethnic minorities, tribal and low caste communities) who are most exposed to climate and disaster risks, and suffer from underlying vulnerabilities associated with low levels of access to essential services including WASH and health, education and livelihood/income generation opportunities.
3. International Solar Alliance “Technical Assistance to SAARC Member Countries for Large Scale Solar Deployment.”	1. USD 986,453 2. USD 503,003 3.483,450	18 months	Bangladesh, Bhutan, Maldives, Nepal, Sri Lanka	Primary Beneficiaries The direct beneficiaries of the project will be the relevant Ministries/ Departments of each member country. In all five countries will be benefitted. The indirect beneficiaries of the project will be the other stakeholders in the solar and renewable energy sector. Understand the role for solar energy and identify scalable solar interventions in each country. 1. Strengthen eco-system for implementing these interventions through policy and regulations in each country. 2. Design large scale programs for solar intervention for each country.

New Social Window Projects (under Active Consideration)

Proponent and Proposal Title	1.Total Budget 2.SDF Grant 3.Co-Finance	Duration	MS and Implementing Partners	Focus Areas/Objective/Beneficiaries
4. Water Aid – Bangladesh Strengthening Hygiene and Healthcare to fight COVID-19 Pandemic in South Asia	1. USD 1,65,9134 2. USD 829,567 3. USD 829,567	❖ 8 months	❖ WaterAid Bangladesh ❖ Jal Seva Foundation ❖ WaterAid Nepal ❖ WaterAid Pakistan	❖ Objective: To support a comprehensive Hygiene and Health system package aimed at mitigating the risk of COVID-19 spread in its four countries through: (i) Hygiene promotion; (ii) Provision of hygiene facilities in HCFs, quarantine centers, public spaces and communities; and (iii) Advocacy and technical support to government to integrate hygiene measures in national response mechanisms. ❖ Beneficiaries Bangladesh - 21.9 million people reached through hygiene promotion activities. 0.6 million people reached through provision of improved and inclusive hygiene facilities India - 1,800,000 people reached through hygiene promotion activities to prevent spread of COVID-19. 200,000 people reached through provision of improved and inclusive hygiene facilities in key institutions/ locations to prevent spread of covid-19

COVID-19 Proposal For Emergency Financial Grant

(under Active Consideration)

S. No	Country and Proposal title	Name of the Applicant	Total Budget SDF Grant (USD)	Duration	Focus areas of funding
1	Afghanistan Proposal for COVID-19 Emergency response	Ministry of Public Health Afghanistan	1.54 Mn	5 months	Health -Supply of Equipment -Health promotion -Preventive measures
2	Bangladesh Proposal for COVID-19 Emergency Response	Ministry of Health and Family welfare	1Mn	5 months	Health - Supply of Equipment -Health promotion
3	Bhutan Emergency assistance to support the coronavirus pandemic response in Bhutan	Ministry of Health, Royal Government of Bhutan	1Mn	2 years	Health - Response to COVID strengthened - ICU for COVID center at Eastern Regional Referral Hospital strengthened

4	Maldives (Awaiting submission)				
5	Nepal Health service strengthening for diagnosis, treatment and critical case management of COVID 19.	Ministry of Health and Population, Government of Nepal.	Total 1.9 Mn	8 months	Health - Strengthened hospital capacity for diagnosis, treatment and critical case management of COVID infected persons
			SDF - 1Mn		
			Co-financing GON-0.9 Mn (cash)		
6	Pakistan Standard package for strengthening the preventive and curative activities for Mental health and Non-communicable diseases against COVID-19 and conduction of COVID-19 research activity nationwide through SDF	Ministry of National Health Services Regulations & Coordination	1 Mn	1 year	Health - serological research survey - Preventive - Curative
7	Sri Lanka Establishment of new isolation building for Infectious Diseases at National Hospital Kandy.	National Hospital, Kandy, Ministry of Health and Indigenous Medical Services	1.2Mn	6 months	Health - Construction of isolation facility - Supply of Equipment

Achievements under the E&I Windows

Projects Approved

Activation of E&I Windows

SDF Board as approved 5 projects under its E&I window.

Funds disbursed

Disbursed USD 13 million loan to Drukair Corporation Ltd. for the Procurement of the ATR for Druk Air under the sovereign guarantee extended by the Royal Government of Bhutan.



Projects at negotiation stage for disbursement

1. Transmission line project of Nepal Electricity Authority (NEA) under a sovereign loan of USD 15 million to Government of Nepal.
2. A non-sovereign loan of USD 15 million for the development of hydro power project of Hydroelectricity Investment and Development Company Limited (HIDCL) in Nepal.
3. A non-sovereign loan of USD 15 million for the development of 900 MW GMR Upper Karnali Hydroelectric project in Nepal.
4. A non-sovereign loan of USD 15 million for 13.2 MW Fairway Waste to Energy project in Sri Lanka

SDF is currently considering some cross-border regional connectivity projects in renewable energy, transport, telecom and Information Technology & Communication (ICT) under the Economic and Infrastructure Windows of SDF.

Achievements under the E&I Windows

Launching of the Co-financing of Micro Small Medium Program in SAARC Member States

1. SDF proposes to launch its MSME program in order to upgrade Micro Small Medium Enterprises in the SAARC region by providing line of credit.
2. SDF would create access to financial services which can in-turn boost job creation, raise income, reduce vulnerability and increase investments in human capital in SAARC Member states.



Objective:

1. Considering limited resources of the SDF , Co Financing under MSME programme is strategically advantageous.
2. SDF is proposed to be positioned as a **REGIONAL FUNDING INSTITUTION** for funding MSME Sector in SAARC Member States.

Fund Mobilization

Fund Mobilization : Social Window

- Voluntary contributions from Member States and other institutions (within and outside SAARC region)
- Through CSR from Corporate
- “Line of Credit or Grant” and TA from potential Investors/ Banks/ FIs/ MDBs/RDBs etc for funds by availing
- Grants and Concessionary Loans combination from Member States and MDBs.
- Internal transfers from the surplus generated by the Economic and Infrastructure Windows of the Fund.
- Interest income from investment of surplus funds; recycling of loan funds.
- Advisory fees from managing other agencies funds/activities.

Fund Mobilization : Economic & Infrastructure Windows

- SDF to get rated by International Rating Agency.
- Availing Line of Credit from MDBs and IFIs.
- Avail Fund from International Capital and Debt Market.
- Issuance of Bond to raise Fund.

Strategy for International Collaboration and Strategic Alliances

Memorandum of Understanding (MoU) with Leading Institutions

To Co-Finance the cross-border projects and leverage resources in the SAARC Member States, through the MoU, SDF has developed working relationships with many organizations as follows:

MoUs signed:

1. Asian Development Bank. (ADB)
2. SAARC Bodies like South Asian University, SAARC CCI, SAARC Arbitration Council etc.
3. Small Industries Development Bank of India (SIDBI)
4. United Nations Development Program (UNDP)
5. UNICEF

MoUs to be signed in nearest future:

1. WFP
2. IFAD
3. Agence Française De Développement (AFD)
4. Asian Infrastructure Investment Bank (AIIB)
5. European Investment Bank
6. Japan International Cooperation Agency (JICA)
7. New Development Bank (NDB)
8. The World Bank
9. UNESCAP

Strategy for Credit/Risk & Investment\$

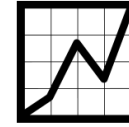
Strategy for Department Activities

“To strengthen the Credit Portfolio of SDF and implementing the robust RISK Management practices adhering towards the international lending norms”.

Core Scope of Work: Pre Sanction Credit Appraisal, Post Sanction Credit Appraisal, Post Sanction Risk Management.

S.No	Working Area	Key Deliverable
1.	Credit Management	<ul style="list-style-type: none"> a) Execution of ‘End-to-end Project Appraisal’ from concept to approval including project due diligence, debt structuring and defining the Credit Terms and Conditions under the Project Financing . b) Referring the approved Credit Policy to define Credit Terms and Conditions. c) Getting the Credit outlook and Credit Report on the borrowers from Secondary Data sources.
2.	Risk Management	<ul style="list-style-type: none"> a) Development of the Risk Management Policy for SDF and for the Project Financing under the Social, Economic & Infrastructure Windows . b) Identification of Credit Default Risk, Operational Risk, Market Risk, Maturity Risk, Country Risk, FX Risk, Political Risk, Legal Risk, Social & Environmental Risk, etc in the Projects to be financed by SDF. c) For the in-principle approved projects, conducting Site Visits and Enhanced Due Diligence as the Risk Management activity.
3.	Investment Management	Actively involved in identifying the options for the Investment of Funds in the Market Driven Products assuring MINIMUM ASSURED RETURN with Zero Risk and better return than FDs.

Strategy for Admin & Finance



- **Timely Preparation of Financial Statements based on IFRS**
- **Getting Financial Statements Audited - Ernst & Young, Chartered Accountants firm from Sri Lanka – SDF's Auditor for FY 2019-2021 (Former Auditor was Deloitte Haskins & Sells, Kolkota, India)**
- **Effective Fund Management to maximize the Return with least Risk assumption**
- **Preparation of Budget (2020 Budget of the Secretariat has been approved by the Board)**
- **Procurement of Goods/Services as per Rules**
- **Active involvement in various committees formed for the evaluation of proposals**
- **Recruitment, Performance Appraisals and HR management**
- **Organization of various need based In-house training**
- **Active support with required logistics for various meetings (Project, Counterpart Agencies & Board Meeting) and events**
- **Adherence to Charter, Bylaws, Regulations & Policies while discharging day to day activities**

Strategy for Internal Audit

Objectives:

- Manage internal oversight activity of SDF
- Provide objective assurance to the SDF Management and Board
- Improve the SDF's operations
- Help to establish a systematic & disciplined approach to achieve objectives
- Improve the effectiveness of risk management, governance & control process
- Promotes organizational values and ethical culture
- Provide advice and insight on policy, procedures & concurrent issues



Strategy for Internal Audit

Achievements:

- Added value to the organization
- Completed internal audit of SDF Secretariat for FY 2017 & 2018
- Conducted audit of SDF funded 12 projects in 2018 and 1 in 2019
- Conducted field review mission of 20 projects in 2019
- Improved the policy based approach at entity wide operations
- Improved the governance, risk management & internal control process
- Provided advisory services to the management on concurrent issues



Plan for 2020

- Conduct internal audit of SDF Secretariat for 2019 (in progress)
- Carry out audit of SDF funded projects in its Member State
- Report to the board on observations and other audit results





Current activities under Monitoring & Evaluation

Independent Third-party Evaluation of SDF funded project in MS

Afghanistan



1. Strengthening the livelihood initiative for home based workers in SAARC Region
2. Strengthening Maternal and Child Health Including Immunization
3. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries
4. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries.

Bangladesh



1. Strengthening Maternal and Child Health Including Immunization
2. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries
3. Empowering Rural Communities : Reaching the Unreached

Bhutan



1. Strengthening Maternal and Child Health Including Immunization
2. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries
3. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries.
4. Empowering Rural Communities : Reaching the Unreached

Independent Third-party Evaluation of SDF funded project in MS.....

India



1. Strengthening Maternal and Child Health Including Immunization
2. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries.

Maldives



1. Strengthening the livelihood initiative for home based workers in SAARC Region
2. Strengthening Maternal and Child Health Including Immunization
3. Empowering Rural Communities : Reaching the Unreached

Nepal



1. Strengthening Maternal and Child Health Including Immunization
2. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries
3. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries.
4. Empowering Rural Communities : Reaching the Unreached

Independent Third-party Evaluation of SDF funded project in MS

Pakistan



1. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries

Sri Lanka



1. Strengthening the livelihood initiative for home based workers in SAARC Region
2. Strengthening Maternal and Child Health Including Immunization
3. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries
4. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries.

Strategies for other departments of SDF

1. **IT** - For eg. Implementation of an ERP - Enterprise Resource Planning for the automation of various in-house process and Business Intelligent report generations
 - e Governance of the SDF funded projects by providing tech gadgets to the project people performing ground work for instant transfer of the task, validating in SDF and enter into the database system
2. **Legal** - Legal department is responsible for all kinds of legal services to our stakeholders and ensure legal compliance at SDF Secretariat
3. **Communications**: To strengthen visibility and credibility of SDF in all the eight SAARC Member States through strengthened project communications

Way Forward

<p><u>Co-financing</u> Soliciting Cross-Border Projects for Co-financing with various Multilateral Development Banks/ International or Regional Financial Institutions, Scheduled Commercial Banks etc under the Economic & Infrastructure Windows of SDF in SAARC Member States. Also Co-Finance the various projects ‘On-Going’ with various MDBs /RFIs/ Banks etc.</p>
<p><u>Fund Mobilization</u> Continue to Build partnerships with various Multilateral Development Banks/ International or Regional Financial Institutions for Fund Mobilization and Investments in SAARC Member States.</p>
<p><u>Line of Credit & Grants</u> Availing Line of Credit & Grants from various Multilateral Development Banks/ International or Regional Financial Institutions for On-Lending the various projects in SAARC Member States.</p>
<p><u>MSME Programs</u> Disbursements under the Micro, Small and Medium Enterprises (MSME) Program of SDF.</p>
<p><u>Technical Assistance</u> Getting Technical Assistance from various Multilateral Development Banks/ International or Regional Financial Institutions on the Concept Development & Project Financing under the major program running at SDF viz Micro, Small and Medium Enterprises (MSME) Program.</p>
<p><u>Credit Rating of SDF</u> Building a Quality Credit Portfolio through Project Financing in SAARC Member States and get SDF rated by International reputed Rating Agencies.</p>
<p><u>Capital Market</u> To enter into the Capital Market for fund mobilization and investments.</p>



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Thank you