

In this issue



Message from CEO
Dr Sunil Motiwal



Sixth SDF Counterpart Agencies Meeting



32nd SDF Board Meeting



Field Monitoring of SDF-Funded Project



SDF to fund COVID-19 Projects under its Social Window



Releasing of the Case Study on SDF funded project – SABAH



Partnership and Events

SDF Newsletter April 2020



Message from the CEO

Dr Sunil Motiwal

Welcome to SAARC Development Fund's Newsletter, April 2020.

April 2020 is significant for the SAARC Development Fund as it marks 10 years of its Secretariat's establishment. SDF was established and inaugurated on 28 April 2010 by the Heads of States/Governments of the eight SAARC Member States during the Sixteenth SAARC Summit held in Thimphu Bhutan.

SDF, as an umbrella financial institution for SAARC projects and programs is fully committed to promote **"Regional Integration and Economic Cooperation among the SAARC Member States"** through project funding and collaboration."

To realize our mission, we at SAARC Development Fund continue to undertake a number of initiatives for the strategic growth of the SAARC region, such as forging relationships with partners for taking up joint initiatives and co-funding of projects. The last 10 years have offered us new projects, partners and new interventions to enable SDF to become a strong regional financial institution.

We have activated all three funding windows: Economic, Infrastructure and Social Windows. Currently, SDF is implementing 90 projects in all SAARC Member States under its Social, Economic and Infrastructure funding windows with a total fund commitment/allocation of USD 198.24 million. 48 projects (in 7 areas) have been successfully completed to benefit thousands of people in SAARC Member States.

This newsletter highlights SDF's continued commitment towards promoting the welfare of the people of SAARC Region, improving their quality of life, accelerating economic growth and social progress, and alleviating poverty



**CELEBRATING
10 YEARS OF THE
SAARC DEVELOPMENT FUND**



Towards regional integration and economic cooperation through project funding and cooperation in the eight SAARC Member States

28th April 2020

www.sdf.org



through financing and implementation of development projects in all the SAARC Member States. This Newsletter also comes at a time when we are witnessing the governments, institutions and people around the world working round the clock to keep our communities safe and healthy against the COVID-19 Pandemic. We would like to express our gratitude especially to the frontline staff for their continued services in managing the situation and for keeping us safe.

The SAARC Development Fund avails itself of this opportunity to renew to the governments of the eight SAARC Member States the assurance of its highest consideration. SDF would like to reassure the SAARC Member States of our cooperation, commitment and support to control and prevent the COVID-19/coronavirus pandemic.

Dr. Sunil Motiwal

CEO of SAARC Development Fund



SDF celebrates a decade of project funding for regional integration and economic cooperation

28 April 2020 marks 10 years of SAARC Development Fund's establishment as the umbrella financial institution for SAARC (South Asian Association for Regional Cooperation) projects and programmes.

SDF Secretariat was set up by the Heads of States/Governments of the eight SAARC Member States during the Sixteenth SAARC Summit held in Thimphu Bhutan on 28-29 April 2010. SDF's investment in the last ten years is mirrored in the 90 projects (in 13 thematic areas) being implemented across the eight SAARC Member States under the three SDF funding windows: Economic, Infrastructure and Social Windows.

The regional projects include strengthening the livelihood of home-based workers, addressing the needs of farmers, reducing the mother and child mortality, delivering connectivity and content of e-governance to rural folks, ending violence against children and women, and improving access to water, sanitation and hygiene in the SAARC region. These projects are successfully implemented and some completed under SDF's Social Window.

With the recent activation of SDF's Economic and Infrastructure Windows, SDF aims to foster synergies across the region to fund projects related to energy, power, transportation, tourism and other related areas. So far, 48 projects (in 7 thematic areas) have successfully completed in the SAARC Member States to benefit thousands of people in the region.

SDF has an authorized capital of USD 1.5 Billion and total capital base of USD 529.37 million. The cumulative fund commitment under the three funding windows of including MSME Program allocation stands at USD 198.23 million. Of which, SDF has disbursed about USD 62 million.

The CEO said that SDF increasingly realizes how critical these regional projects are. For instance, SDF's flagship health project - Maternal & Child Health Care in all the SAARC Member States for USD 15 million – is geared towards reducing child and maternal mortality, and ensuring that every infant and woman of childbearing age in the SAARC region is immunized. SAARC region has a very young population, with nearly 50 percent in the reproductive group. The number of pregnant women and the number of babies born annually are very high. According to reports, about 1 million – about 39 percent – of the world's newborn deaths occur in the eight South Asian countries annually.

Similarly, the SDF-funded project, "Strengthening the livelihood initiative for home-based workers in the SAARC Region, popularly known as SABAH, was implemented in the SAARC Member States under SDF's Social Window with funding of USD 21.07 million. The project has resulted in the creation of the SAARC Business Association of Home-Based Workers (SABAH) - a social business organization in each of the implementing countries. It has increased the income and employability of Home-Based Workers in the SAARC region, thus meeting the SDF's ultimate goal of improving welfare and the quality of life of people in the SAARC region, alleviating poverty and promoting economic growth and social progress in the region.

"Along with these projects, SDF is also working with partners to fund COVID-19 projects to mitigate the financial losses and severe socio-economic impact of the pandemic in the SAARC Member States," said CEO Dr Sunil Motiwal. **"Several COVID-19 proposals from Member States are under our active consideration and would be approved by the SDF Board as per the existing SDF policies,"** said the CEO.

SAARC Development Fund held its 6th Counterpart Meeting of the SAARC Region in Male' Maldives

Male', Maldives 23-25 October 2019 – SDF Counterpart Agencies from eight SAARC Member States (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) met in Male' Maldives for the Sixth Counterpart Agencies Meeting of the SAARC Development Fund (SDF).

Hon'ble Minister for Economic Development H.E. Mr Fayyaz Ismail graced the inaugural session of the Meeting on 23 October 2019.



SDF Counterpart Agencies from the eight SAARC Member States with Hon'ble Minister for Economic Development H.E. Mr Fayyaz Ismail

During his inaugural address, the Minister committed to strengthen Maldives' interaction with SAARC Development Fund increase SDF's assistance and projects in Maldives. He said that they will be proposing more projects originating from Maldives for co-financing by SDF.

The Counterpart Agencies comprising of members from the Ministry of Finance of eight SAARC Member States will review and discuss key issues to further promote regional integration and economic cooperation among the member countries. The meeting was held to review the status and achievements of ongoing SDF-funded projects in the SAARC Member States, and discuss challenges faced in implementation of these projects and as well as, the important role of the Counterpart Agencies of SDF.

SDF Counterpart Agencies are the focal points nominated by the Finance Ministry of the respective Member States in order to coordinate and facilitate on behalf of SDF.

Some of the key points from the Member States during the meeting were potential projects for co-financing in the areas of energy, infrastructure such as roads and railways, agriculture, waste management, tourism and export of marine products. The participants also discussed SDF's current challenges in terms of its loan pricing and lending requirements.

On the sidelines of the Meeting, CEO Dr Motiwal called on the Hon'ble Finance Minister of Maldives Mr Ibrahim Ameer and Hon'ble Economic Development Minister Uz. Fayyaz Ismail. He also met with other senior officials and partners.



From left to right: CEO, SDF Dr Sunil Motiwal with Hon'ble Finance Minister H.E Mr. Ibrahim Ameer, Communication Science and Technology Minister H.E Mr. Mohamed M Jamal and Minister for Economic Development H.E. Mr Fayyaz Ismail.

CEO, SDF Dr Sunil Motiwal said: *"The Counterpart Agencies have a very vital role in effective implementation of projects in the SAARC Member States as they act as coordinator/ Facilitator on behalf of SDF as and when requested by SDF. Their role as Counterpart Agencies will certainly benefit SDF even more in times to come. SDF along with its counterpart agencies is fully committed to bring synergies in the Member States through project funding."*

SAARC Development Fund Celebrates SAARC Charter Day



CEO, SDF with Hon'ble Foreign Minister of Bhutan H.E Lyonpo Dr Tandi Dorji

Thimphu Bhutan, 8 December 2019 – The SAARC Development Fund (SDF) celebrated 35th SAARC Charter Day on 8 December 2019. The SAARC Charter establishing South Asian Association for Regional Cooperation (SAARC) was adopted on 8 December 1985 by the SAARC Heads of State or Government during their first-ever Summit in Dhaka, Bangladesh.

The SAARC Charter recognizes the region's shared history and common destiny, and the determination of the SAARC Member States to foster mutual understanding, friendship and cooperation for peace and prosperity. The objective of SAARC is to accelerate the process of social, economic and cultural development in the region.

The 35th SAARC Charter Day celebration brought together high-ranking government officials, resident Ambassadors, heads of international organizations, civil society representatives and implementing agencies of SDF funded projects, among others for an evening of music and food from eight SAARC Member States.

Hon'ble Foreign Minister Lyonpo Dr Tandi Dorji said that SAARC has seen substantial progress but there have also been a lot of challenges. "The vision of SAARC to foster cooperation among the countries and to work towards prosperity and wellbeing of the people, all the eight SAARC countries have been working hard towards this vision," he said. He commended SDF for implementing the regional projects towards alleviating poverty and improving the welfare of the people of this region.

In his address at the program, CEO SDF, Dr. Sunil Motiwal said that further, more than 10 bankable projects are also under active consideration of SDF to co-finance in SAARC Member States.

From the field: SDF Joint monitoring visit to Projects in Maldives, Nepal and Sri Lanka

October – November 2019: SDF, under its mandate to help the member countries, has been providing grants for development projects under its Social Window. In order to maximize the benefits of the financial assistance, the projects are monitored until fund disbursements and project completion.

The SDF team comprising of Assistant Directors - Social Window, Internal Audit, and Monitoring and Evaluation - met and interacted with the project officials in Maldives, Nepal and Sri Lanka. Most importantly, they visited the project sites and interacted with the beneficiaries from the communities.

The visit enabled beneficiaries to understand the purpose and prospects of the projects and the importance of their participation in the project. It also enabled the Implementing Agencies (IAs) and SDF team to understand and identify the challenges and issues related to the project and suggest appropriate measures.

According to the SDF team, the visit allowed the team and IA to discuss issues related to project closures, disbursements and requirements of project closures.



SDF Board of Directors Meet in Thimphu Bhutan for the 32nd SDF Board Meeting



SDF Board Directors at the 32nd SDF Board Meeting in Thimphu Bhutan

comprised of representatives from the Ministry of Finance of each Member State. The 6th Board Project Appraisal Committee Meeting, 11th Finance and Audit Committee Meeting and the 4th Board Human Resource Committee Meeting were also held prior to the 32nd Board Meeting.



4th Board Human Resource Committee (BHRC) Meeting Members: Bangladesh, Bhutan (Chair) and Maldives



6th Board Project Appraisal Committee Meeting Members: Afghanistan, Maldives (Chair) and Pakistan



11th Finance and Audit Committee Meeting Members: Afghanistan, India and Nepal (Chair)

Thimphu Bhutan, 16-17 January 2020: The SAARC Development Fund held its 32nd Board Meeting in Thimphu Bhutan on 16-17 January 2020 taking decisions on important matters for the wellbeing of the people of the SAARC Member States. The Meeting was Chaired by Sri Lanka.

SDF's governance structure includes its Governing Council comprising of the Finance Ministers of the eight SAARC Member States, and its Board of Directors

SDF to fund COVID-19 projects in the SAARC Member States under its Social Window

Thimphu Bhutan, 7 April 2020 – The SAARC Development Fund will be funding COVID-19 projects in the SAARC Member States under its Social Window to support Member States in responding to the novel coronavirus/COVID-19 pandemic.

“The objective of this fund allocation is to provide fund support to the Member States in their efforts and to protect the people of the SAARC Member States by mitigating the financial losses and severe socio-economic impact of the COVID-19 pandemic,” said CEO of SDF Dr Sunil Motiwal.

This COVID-19 project shall be funded by SDF under its Social Window thematic areas. In keeping with SDF Charter Article 4 Section 2, Social Window shall primarily fund projects on poverty alleviation, social development focusing on education, health, human resource development, support to vulnerable/disadvantaged segment of the society, funding needs of communities, micro-enterprises and rural infrastructure development.

All eight SAARC Member States with project related to COVID-19 response/mitigation are eligible.



CEO Dr Motiwal said that all eligible project proposals submitted to SDF shall be reviewed and due diligence would be ensured. **“The approval process, project implementation, fund disbursement, management, monitoring and reporting shall be as per the existing SDF-Board approved policy, and practices of SDF and Social Window,”** he said. He added that SDF will follow a fast-track system for appraisal and approval of projects by the Board.

Case study on SDF-funded project, SABAH in the SAARC Member States

March 2020 - SDF released the Case Study Report on SDF-funded project, “Strengthening the livelihood initiative for home-based workers in the SAARC Region, popularly known as SABAH, which is a flagship regional project implemented in the SAARC Member States under SDF’s Social Window.

The SABAH project was conceptualized and set up in collaboration with the Self-Employed Women’s Association (SEWA), India and Home Net South Asia (HNSA) in 2008-09. It has been implemented in two phases, Phases I & II in seven SAARC countries, namely, Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan, and Sri Lanka with SDF funding of USD 21.07 million. The project started in August 2008 and has resulted in the creation of the SAARC Business Association of Home-Based Workers (SABAH) - a social business organization in each of the implementing countries.

The Project’s main objective is to increase the income and employability of Home-Based Workers (HBWs) in the SAARC region, thus meeting the SDF’s ultimate goals of improving welfare and the quality of life of people in the SAARC region, alleviating poverty and promoting economic growth and social progress in the region.

The case study has been conducted by a prestigious school in India namely, Indian Institute of Management, Bangalore India. The Case Study undertakes a comprehensive analysis of the project’s regional and national impact in terms of fostering regional integration, cooperation, trade, connectivity, creating value chains, building entrepreneurial capacity and empowering women.



The primary evidence collected from a range of stakeholders through discussions and surveys is used to highlight factors which have shaped the outcomes as well as some of the constraints. The discussion covers both the regional and national dimensions of SABAH.

This project is an example of a project that fulfills the promotion of regional integration and economic cooperation, which is a core mandate of SDF. The Case study will also be taught in some of the reputed business schools.

Partnership and Events

57th Session of the SAARC Programming Committee Meeting (SAARC Secretariat, Kathmandu)



Kathmandu Nepal, 19-20 December 2019: At the 57th SAARC Programming Committee Meeting held at the SAARC Secretariat in Kathmandu, Nepal, the Chief Executive Officer, SDF Dr Sunil Motiwal shared the current status, achievements and future action plan of SDF by updating the members on the Decisions of the 30th and 31st SDF Board of Directors Meeting.

Chief Executive Officer of SAARC Development Fund, Dr Sunil Motiwal called on the **Hon'ble Finance Minister of Nepal H.E Dr Yuba Raj Khatriwada** on 18 December 2019 at the Ministry of Finance, Kathmandu, Nepal.



The Finance Minister is a Governing Council member of SDF. They discussed SAARC Development Fund's current status, achievements and future action plan, along with SDF-funded projects in Nepal along the new projects which will commence soon.

The third business delegation of the **Indian Importers Chambers of Commerce & Industry (IICCI)** visited Thimphu Bhutan on 26-28 February 2020 for a seminar on



"Business Opportunities in Bhutan" in partnership with the SAARC Development Fund. IICCI delegation, comprising of over 20 companies, met and interacted with local counterparts and the Bhutan Chamber of Commerce and Industries to establish business relations and explore investment avenues in Bhutan.

Meeting with Dr Christoph Kessler, Director, KfW Office in New Delhi. CEO, SDF Dr Motiwal and Dr Kessler discussed areas of mutual interest and building partnership for the strategic growth of the region.



In addition, CEO, SDF attended the Second Assembly of the International Solar Alliance from 30 October to 1 November, 2019 in New Delhi, India. The Assembly Agenda included the breadth and depth necessary for leaders to address energy security, environmental issues, and wealth creation in the Member Countries.

The International Solar Alliance (ISA) is an alliance of 121 countries. The primary objective of the alliance is to work for efficient exploitation of solar energy to reduce dependence on fossil fuels.

CEO Dr Motiwal with Mr. Dónal Canon, Head of **Regional Representation for South Asia Delegation of the European Union to India.**



CEO, SDF Dr Sunil Motiwal with Dr Virender Paul, **Additional Secretary, SAARC, Ministry of External Affairs, Government of India.**





Who we are

SAARC Development Fund 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.



Towards Regional Integration and Economic Cooperation Through Project Funding

SAARC Development Fund

CONTACT US

Chief Executive Officer, SDF

3rd Floor, BDBL Building, Norzin Lam, Thimphu, Bhutan

(M) +975-17140975 | (T) +975-02-321152
(F) +975-02-321203/321150

ceo@sdfsec.org | info@sdfsec.org
www.sdfsec.org

Find us on Facebook, Twitter and Instagram

f SAARC Development Fund

t #SAARCDDevelopmentFund