



SAARC

SAARC Development Fund



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Year-End Newsletter, December 2021

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Greetings from SAARC Development Fund.



In 2021, we have achieved sustainable results to promote the well-being of the people of South Asia. This was due to the substantial support we have received from our partners and supporters in the SAARC Member States.

The SDF team would like to wish you a very happy, prosperous and a safe New Year!

SAARC Development Fund (SDF) was established in April 2010 as a regional financial institution for SAARC projects and programmes. SDF's Mandate is to promote regional integration and economic cooperation.

In the last eleven years, SDF has embarked on new projects, forged new partnerships and initiated numerous interventions to enable SDF to become a more dynamic and robust umbrella-funding institution, amply capable of delivering the benefits of regional engagement to the millions in the region through project-based collaboration.

SDF operates through the three financing windows: Social, Economic and Infrastructure. SDF has about 100

projects approved by the SDF Board under the three funding windows with a fund commitment/allocation of over USD 134 million.

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 through financing and implementation of development projects in all the SAARC Member States.



Climate Smart Agriculture in South Asia: Fostering regional cooperation for sustainable and resilient agricultural adaptation



Dhaka, Bangladesh, 24 November 2021: The International Fund for Agricultural Development (IFAD), SAARC Agriculture Centre (SAC), International Food Policy Research Institute (IFPRI) and SAARC Development Fund (SDF) launched a partnership for Scaling-up Climate Smart Agriculture in South Asia. The central objective of the partnership is to develop evidence-based strategies to collectively tackle the impact of climate change in South Asia.

Agriculture has historically been a risky business, and it is becoming riskier due to climate change and its associated impacts on agri-food systems. According to one estimate, the region could lose between 10-50 percent of crop production by end of the century due to global warming. Yet, the sector is still the main source of livelihood for over 50 percent of the population in South Asia. This reality calls for integrating climate change adaptation and mitigation strategies with an overarching goal of ensuring food, nutrition, and livelihood security for millions of underprivileged and marginalized people living in the region.

The partnership will focus on promoting sustainable and resilient agricultural intensification in South Asia through building the capacity of institutions and enhancing skills, to scale-up climate smart strategies and technologies.

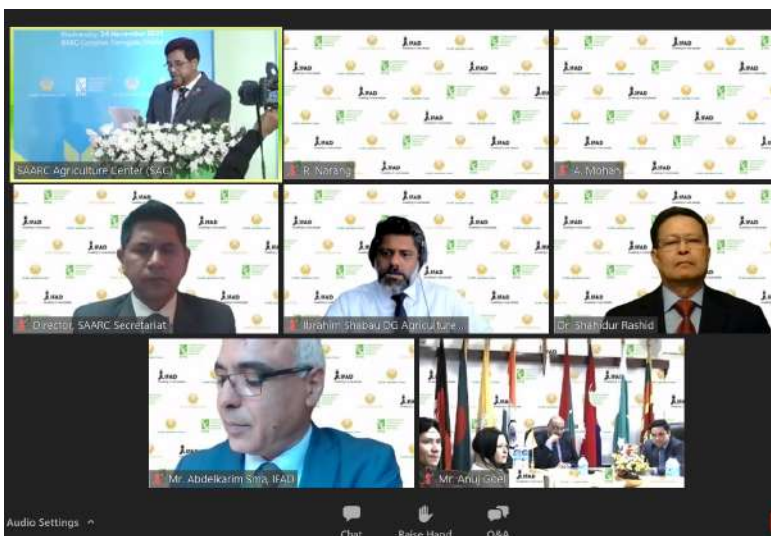
The consortium will foster partnership and cooperation to provide support on:

- 1) accelerating the identification and scaling-up of viable CSA interventions through national policies and programs in South Asia
- (2) setting-up effective and efficient mechanisms for knowledge sharing, policy dialogue, and cooperation in R&D programs among SAARC countries on CSA.

On November 24, 2021, an official launch of the project was organized. During the event, SAARC member states outlined their roles and responsibilities for implementing the project. The event also highlighted the importance of regional cooperation in promoting sustainable and resilient agricultural intensification in South Asia.

“We hope that our collective support will augment the continuous efforts of all the Member States towards enhancing the adaptive capacity of especially our smallholder farmers against the impacts of climate change,” said Officer-In-Charge of SAARC Development Fund and Director, Social Window, Mr. Anuj Goel. 3

The project will target to benefit smallholders focusing on women farmers, as well as researchers, extension workers, and policy makers in SAARC member countries, with a particular focus on Afghanistan, Bangladesh, Bhutan, India, Nepal, Pakistan, and Sri Lanka for piloting and scaling up of CSA technologies. All SAARC countries including Maldives will also benefit from capacity building and knowledge sharing activities.



COVID-19 project implemented

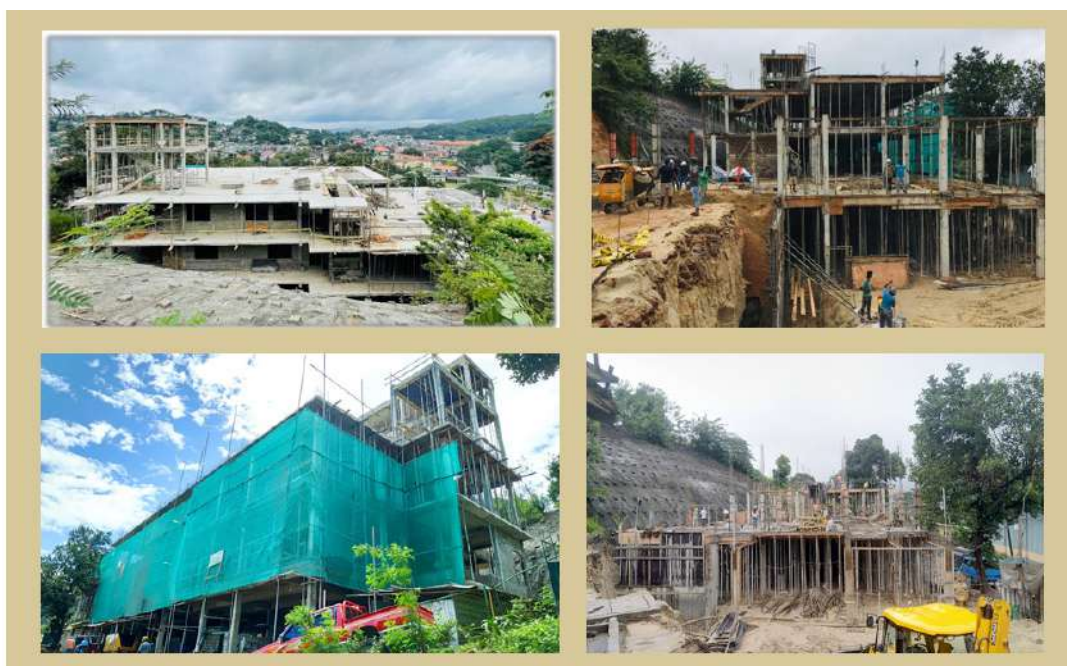
The SAARC Development Fund (SDF) handed over the COVID-19 emergency grant starting June 2021 to the Member States marking the implementation of the SDF's USD 7.7 million “COVID-19 emergency grant” project under SDF Social Window.

SDF had received seven project proposals from seven of the eight Member States – Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka. The project originated from the respective Health Ministries of the Member States. The emergency grant is being used

to strengthen COVID-19 response in the Member States to benefit COVID-19 suspected cases, confirmed cases, at-risk populations, medical and emergency personnel, and in fact, the entire population in the SAARC Member States. Through this grant, the respective health ministries had proposed to enhance ICU and isolation facilities in regional health centres, to purchase PPE kits, ventilator machines, testing kits, and strengthen surveillance, promote health awareness and social mobilization especially targeted towards poor and the disadvantaged, and devising prevention and response strategies.

COVID-19
Emergency Grant
Project Updates:

Isolation Ward
Complex, National
Hospital in Kandy,
Sri Lanka



66 PROJECTS (in 9 areas) Completed; 32 Financial Closures achieved!

The SAARC Development Fund's Social Window has approved a total of 94 projects (15 areas) until date covering all the eight SAARC Member States with a total fund commitment of USD 91.58 million.

The Social Window funds the projects, inter alia, 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, and rural infrastructure development.

A total of 66 Social Window projects (9 out of 14 ongoing project areas) have been successfully completed meaning that the results from these SDF-funded projects were finally achieved in order to benefit thousands of people in South Asia. The projects are:

1. Strengthening the livelihood initiative for home-based workers in SAARC Region – A project through which more than 16,000 home-based workers were trained, 23 sales outlets are established and run by women workers, employed over 9,700 workers and generated a total of more than US\$2 million income for these home-based workers.
2. Strengthening Maternal and Child Health Including Immunization in the SAARC Member States – Through the project, 51 Special Newborn Care Units were established, equipment was provided for 52 district hospitals, and trained more than 450 doctors, nurses and bio-medics.
3. Scaling up of Zero Energy Cold Storage (ZECS) technology for the horticultural commodities in the high hills of SAARC countries - 12 Zero Energy Cold Storage were set up in all the four SAARC Member States benefiting about 12,150 Farmers and 50,000 community people from the cold storage technology.
4. Empowering Rural Communities, "Reaching the Unreached" - 115 Community e-Centers (CeCs) established. 200 community people of the Unions in Bangladesh, 60gewogs in 18 districts of Bhutan, 20 atolls in Maldives and 81 Village Development Centers in Nepal and there are 638 CeC Operators/entrepreneurs.
5. South Asia Initiative to End Violence Against Children (SAIEVAC) - More than 251,700 outreach/awareness materials on Child Protection printed and distributed; Developed 2005 IEC materials on Child Projection; Media, parents, students and parliamentarian) were sensitized on Violence against Children.
6. Post-Harvest Management and Value Addition of Fruits in Production Catchments in SAARC Countries - Established 12 pack houses, 6 processing centers, 6 cold stores, 2 fruit ripening chambers and 3 banana value addition facilities to benefit hundreds of farmers.
7. Strengthening of Water, Sanitation and Hygiene (WASH) services in selected areas of SAARC Countries - More than 30,000 women/household workers/farmers provided with safe drinking water and adequate water for small scale livelihoods, such as home garden cultivation, floriculture, animal husbandry, and food processing etc.
8. Masters in Rehabilitation of the Paralyzed implemented by the Center for the Rehabilitation of the Paralyzed (CRP), Bangladesh Health Professions Institute (BHPI) – The program caters to all the SAARC Member States. It has provided direct benefit to 150 students from SAARC Member States and 660 graduate and under graduate students as secondary

beneficiaries annually, and over 2,34,432 patients or people with disabilities or people with chronic health conditions per year as ultimate beneficiaries.

9. Networking of Women Entrepreneurs (SMEs) from SAARC Countries - Through this project, a Web Portal (www.saarcweportal.com) was developed for networking of women SMEs in the SAARC region to promote women entrepreneurial networks for

advancement of their businesses at a regional level, enhance co-operation and partnerships for promotion of their products and facilitated Women entrepreneurial activities for the betterment of their economies.

2021 HIGHLIGHTS

SDF Achieves New Milestone Social Window Project Grant Disbursement Crosses USD 53 million

The SAARC Development Fund in 2021 achieved a new milestone with total grants disbursement crossing USD 53 million for projects in the eight SAARC Member States under SDF Social Window.

The increase in SDF project disbursement figures reflect SDF's strong commitment to improving the lives of the region's people.

Going beyond these numbers, the Social Window team said that they increasingly understand how critical these regional projects are and genuinely hope to see continued results on the ground through timely disbursement of funds.



1938 - Women's Help Line, Sri Lanka

Sri Lanka's State Ministry of Women and Child Development has launched a "technically-strengthened" 1938 toll-free women's 24/7 helpline on 29 October, 2021. The 1938 helpline initially worked only eight hours per day but now it has been made a 24/7 service with SDF's fund support, making it accessible for more people.



Officials said that the number of complaints received by the helpline significantly increased following the Covid-19-related lockdowns.

The 1938 hotline was established by the National Committee on Women with grant funding from the SAARC Development Fund to receive complaints regarding all forms of discrimination against women, where referrals to legal, counselling, and shelter facilities are made based on the needs of the complaint.

6767 - Afghanistan's first national Hotline for Women and Children



A Toll-Free Helpline for Women and Children (6767)- the first national hotline to address emergency calls from women and children across Afghanistan - was launched in July 2021. The helpline will attend to women and children who are in urgent need of care, protection and justice.

A SAARC Development Fund-supported project, the launch of the Toll-Free Helpline was held on July 14, 2021 in a ceremony with the Ministry of Women Affairs Minister, MoWA leadership, Minister of Telecommunications, Minister of Religious Affairs, Members of Parliament, Members of VAW High Commission, CSOs, INGOs, UN agencies and public organisations.

The project is formally operational in all 34 provinces of Afghanistan



SDF's integrated bamboo based development project

Community members in Bhutan's Mongar and Zhemgang districts participated in bamboo-shoot processing trainings in 2021 conducted by Field Officers with fund support from the SAARC Development Fund.

These activities are implemented by Tarayana Foundation, Bhutan under SDF project "Integrated Bamboo Based Development among SAARC Countries".

Training on prototype development for bamboo furniture, lifestyle products and bamboo harvesting techniques were also conducted throughout the 2021 in different parts of the country by Tarayana field offices with support from SDF. The training was also facilitated by Furniture Experts.

Bamboo constitutes a significant portion of the total forest area in the region. Therefore, SDF is promoting bamboo-based enterprises for income generation and employment opportunities in the SAARC Member States.



Social Window mid-year review and partner meetings

The Social Window team held 64 Counterpart Agency and Implementing Agencies meeting in 2021 to address respective issues related to the projects funded under SDF's Social Window including the 2021 Mid-Year Review meetings on projects across all the Member States.

The meetings are crucial to assess the project's progress and to identify challenges in order to improve the implementation of the projects.



Economic and Infrastructure Windows

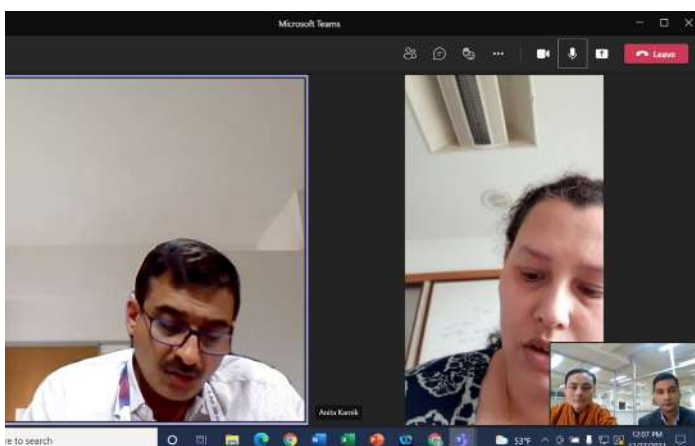


The Economic & Infrastructure (E&I) Windows of the fund provides loans for financing both sovereign and non-sovereign projects in the SAARC Member States. The mandate of the E&I windows is to finance economic and infrastructure projects in the eight member states with direct benefit going to at least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

The lending is guided by the SDF Board-approved Credit policy and E&I policy guidelines. The priority areas of financing economic and infrastructure projects are tabulated below:

| Economic Window | Infrastructure Window |
|---|---|
| <ul style="list-style-type: none"> a) Trade and Industrial Development b) Agriculture and allied sectors c) Services Sector d) Science and Technology e) Other Non-Infrastructure areas f) Any other sectors as approved by the Board | <ul style="list-style-type: none"> a) Energy, b) Power c) Transportation d) Tele Communications e) Environment f) Tourism g) Other Infrastructure Areas h) Any other sectors as approved by the Board |

The E&I Team continue to strategize in order to garner sound bankable projects and have initiated preliminary "show interest calls" with several relevant organizations and partners.



SDF's Economic and Infrastructure Window's Introductory video conference call was held with SBI Capital Markets (SBICAP) on December 27, 2021 to discuss mutual areas of collaboration for exploring investments opportunities in the SAARC member countries.

SBICAP is India's leading investment bank and project advisor, helping businesses and institutions access the right strategic advice and funds, across the lifecycle of their operations. SBICAP has over 35 plus years' experience, 3,000 plus client relationships, 20 plus sector and INR 5.32 trillion deals closed in FY 2021.

E&I discussions with the DHI Companies in Bhutan



SDF Introductory meeting with Chief Finance Officers (CFO's) and Director, Finance and Investments of Druk Holdings and Investments (DHI) Companies, Bhutan was held on November 29, 2021.

SDF E&I windows team made a presentation about the various credit schemes available at SDF, which the companies can explore/consider for meeting their financing needs.

PARTNERSHIP AND EVENTS

37th SAARC Charter Day

Bhutan observed the 37th SAARC Charter Day on December 8, 2021 at the Changangkha Lhakhang in Thimphu with the lighting of a thousand butter lamps and prayers. Foreign Secretary, members of the diplomatic community and senior officials of the Ministry of Foreign Affairs attended the event. The SAARC Charter signed on 8th December 1985 at the first SAARC Summit in Dhaka marks the establishment of the South Asian Association for Regional Cooperation (SAARC).

Since then, 8th December is observed as the SAARC Charter Day. The Eight Member States, SAARC Secretariat, SAARC Regional Centres, SAARC Apex and SAARC Recognized Bodies commemorate the Charter Day by organizing various events related to the SAARC themes. The Day is commemorated to raise public awareness about the Member States' commitment to the SAARC process.



Hon'ble Foreign Secretary of Bhutan and Officer-In-Charge, SDF on SAARC Charter Day, Thimphu Bhutan

PARTNERSHIP

H.E. Finance Minister and SDF Governing Council Member, Bhutan visits SDF Secretariat



H.E. Finance Minister of Bhutan (in Black Traditional Bhutanese Gho) with staff members of the SDF Secretariat and officials from Finance Ministry, Bhutan

His Excellency the Finance Minister of Bhutan, Lyonpo Namgay Tshering, visited the SAARC Development Fund (SDF) Secretariat on 18 November 2021.

His Excellency, who is also the Governing Council member of the SDF, was accompanied by the Secretary of the Gross National Happiness Commission and officials of the Ministry of Finance, Royal Government of Bhutan.

SDF team briefed His Excellency the Finance Minister on the current activities, achievements, challenges and future plans of SDF. Lyonpo and the delegation was presented on the ongoing projects of SDF in Bhutan under its Social, Economic and Infrastructure Windows.

An overview of the upcoming pipelines projects was also presented along with SDF's new projects implemented in 2021, including the COVID-19 Emergency Grant.

During the meeting, the Finance Minister said that such meetings open the door for further discussion and collaboration. He said that he is keen to explore how SDF can play a strategic role in helping Member States with economic recovery to emerge stronger out of this COVID-19 Pandemic.

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. For details, Visit Website: www.sdfsec.org



Towards Regional Integration and Economic

OUR MAILING ADDRESS IS:

SAARC Development Fund
3rd Floor, BDBL Building,
Norzin Lam, Post Box 928
Thimphu 1 1001, Bhutan
975-02-321152
975-02-321203

www.sdfsec.org / info@sdfsec.org

 <https://www.facebook.com/SaarcDevelopmentFund/>

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