



SAARC Development Fund



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SDF Newsletter, Second Quarter 2024

For over a decade, SDF has driven regional development and integration through project funding and partnership, benefiting people across the region.

Discover more in this newsletter.



Greetings from SAARC Development Fund and welcome to SDF's Second Newsletter for 2024!

As the umbrella regional financial institution for SAARC projects and programs, SDF is dedicated to promoting regional integration and economic cooperation among the SAARC Member States through project funding and collaboration. Since our establishment in April 2010, our Secretariat in Thimphu, Bhutan, has been at the forefront of these efforts.

At the SAARC Development Fund, our mission is realized through strategic initiatives aimed at fostering the region's growth. We fund regional projects under our Social, Economic and Infrastructure Windows, and cultivate partnerships for joint initiatives and co-funding opportunities. Over the past fourteen years, SDF has launched new projects, forged strategic partnerships, and implemented numerous interventions. These efforts have strengthened our position as a dynamic and robust

umbrella-funding institution, enabling us to deliver the benefits of regional engagement to people across the region.

To date, we have approved around 100 projects with a fund commitment exceeding USD 134 million through three financing windows.

This newsletter reflects our ongoing commitment to enhancing the welfare of the people in the SAARC region, improving their quality of life, accelerating economic growth, fostering social progress, and alleviating poverty through the financing and implementation of development projects in all SAARC Member States.

Our achievements are made possible through the invaluable contributions of our partners. We extend our heartfelt gratitude to all our partners for their collaboration in achieving sustainable results through our projects. Thank you and happy reading!



# SDF Governing Council Meeting Reaffirms Commitment to Regional Cooperation



**Tbilisi, Georgia, May 02, 2024:** The SAARC Development Fund (SDF) convened its seventh meeting of the Governing Council in Tbilisi, Georgia, on the sidelines of the Annual Meeting of the Asian Development Bank.

The meeting was attended by Hon'ble Finance Ministers, Finance Secretaries, and Senior Officials from the SAARC Member States. It underscored SDF's unwavering commitment to advancing regional integration and economic cooperation through project-based collaboration among its member states.

The Governing Council approved several critical issues related to the future strategies and action plan of the SDF.

In line with the SDF Charter and Bye-Laws, the Chair of the Governing Council, His Excellency Mr. Shehan Asanka Semasinghe, Hon'ble State Minister of Finance, Sri Lanka, inaugurated the meeting. His Excellency welcomed the delegation of the Member States and expressed his hopes for a productive session.

His Excellency Mr. Abul Hassan Mahmood Ali, MP, Hon'ble

Minister, Ministry of Finance, Government of the People's Republic of Bangladesh, was elected as the next Chair of the Governing Council of the SAARC Development Fund (SDF), while Mr. Md. Shahriar Kader Siddiky, Secretary, Economic Relations Division, Ministry of Finance of Bangladesh, was appointed Chair of the Meeting.

Speaking at the Governing Council meeting, the Secretary General of SAARC, H.E. Mr. Golam Sarwar, highlighted the significance of the SDF in financing regional projects aimed at enhancing the quality of life for people in the Member States. He emphasized that the success of the SDF represents a shared ambition for a brighter future.

Reflecting on the impact of the COVID-19 pandemic, the SAARC Secretary General underscored the critical need for collective action and the role of SAARC in regional recovery efforts. He called for the prompt appointment of a CEO to ensure the SDF's smooth operation.

During the meeting, the Governing Council also adopted the Minutes of Board Meetings and Audited Financial Statements.



# Strengthening Ties: Bhutan's Finance Minister Visits SDF Secretariat

**Thimphu Bhutan, April 12, 2024** - SAARC Development Fund welcomed His Excellency Lyonpo Lekey Dorji, the Finance Minister of Bhutan, to the SAARC Development Fund Secretariat.

This significant visit underscored SDF's ongoing collaboration with the Royal Government of Bhutan.

Led by the Officer in-Charge of SDF, Mr. Jamal Uddin Ahmed, the SDF secretariat engaged in productive discussions with His Excellency, who is also a member of the SDF Governing Council.



The meeting focused on reviewing SDF's current initiatives, exploring future action plans, and reinforcing the organisation's commitment to fostering regional integration and economic cooperation through strategic projects. SDF looks forward to continuing its work with Bhutan to improve the quality of life for the people in our region.

## SAARC Secretary General Visits Bhutan, Emphasizes Importance of SDF Initiatives



July 02, 2024 - The Secretary General of South Asian Association for Regional Cooperation (SAARC), His Excellency Mr. Md. Golam Sarwar, who was on an official visit to Bhutan, visited the SDF Secretariat in Thimphu on July 2, 2022.

The Secretary General met and interacted with the SDF officials and partners from the Royal Government of Bhutan. Secretary General Sarwar discussed about SDF's ongoing project-based activities of SDF in all the eight member states of SAARC.

Referring to SDF as one of the most significant flagship initiatives of SAARC, the Secretary General gave valuable guidance to the organisation on various administrative and substantive matters with a view to transforming SDF as one of the most important socio-economic development institutions in South Asia.

SDF team, led by the Officer-In-Charge Mr Jamal Uddin Ahmed, updated His Excellency on the latest development activities of the Fund emphasising on SDF's plan to continue its strategic work in the region through project funding.

SAARC Secretary General H.E Mr. Sarwar arrived in Bhutan on 2 July 2022. The Secretary- General was granted an audience by His Majesty the King of Bhutan, Jigme Khesar Namgyel Wangchuck, on July 05 in Thimphu. Ambassador Sarwar also called on the Prime Minister of Bhutan, H.E. Dasho Tshering Tobgay; and had Official Meetings with the Minister for Foreign Affairs and External Trade, H. E. Mr. D.N. Dhungyel.

## IN PICTURES: PARTNERSHIPS



### Building a Stronger Future Together: SDF's Partnership with Bhutan's Agriculture Ministry



The SAARC Development Fund highly values its collaborative partnership with the Ministry of Agriculture, Royal Government of Bhutan, having worked on many SDF-funded agriculture related projects in the Member States, including Bhutan.

In May this year, the Officer-in-Charge of SDF, Mr. Jamal Uddin Ahmed, had the honour of meeting with the Hon'ble Minister Lyonpo Younten Phuntsho, Ministry of Agriculture and Livestock. This meeting reaffirmed SDF's commitment to more impactful projects that drive sustainable development in the region.

### Board Directors from Bhutan, Nepal, and Sri Lanka Convene at SDF Secretariat to Discuss HR matters



Board Directors and representatives from Bhutan, Nepal and Sri Lanka visited the SDF secretariat in Thimphu Bhutan in May this year to to deliberate on human resource related matters as members of the SDF Board Human Resource Committee.

This significant meeting, held as part of the SDF Board Human Resource Committee's ongoing initiatives, provided a platform for in-depth discussions and strategic planning. This visit and meeting underscore the commitment of the SDF Board to prioritize and continually improve the operations at SDF Secretariat.



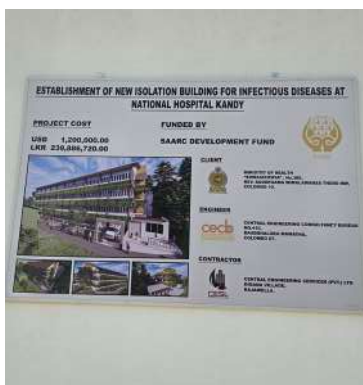
SDF hosted the distinguished delegation from the **Embassy of India in Bhutan** at the SDF Secretariat in May this year. Mr. Niteen S. Yeola, Deputy Chief of Mission, and Ms. Smriti Mishra, Second Secretary, engaged in discussions with the SDF team led by Officer-in-Charge Mr. Jamal Uddin Ahmed. The meeting focused on our ongoing collaboration and various projects within the member states, including India.



**June 5, 2024, World Environment Day** - On this World Environment Day, the SDF team came together for a cleaning campaign and tree plantation in Thimphu, Bhutan. Together, the team is committed towards nurturing our planet and creating a sustainable future. Every small action counts!



# Assessing the Progress of SDF Social Window Projects in Sri Lanka



In May 2024, the Social Window team of SDF conducted a comprehensive project site visit in Sri Lanka.

The team inspected the progress of several key projects including the Toll-Free Helpline, COVID-19 initiatives, SABAH, WASH, Livelihood, and C-SUCSeS climate smart agriculture project. They engaged in detailed discussions with Implementing Agencies to address any outstanding issues affecting project closure.

Through joint effort with partners in the Member States, SDF contributes to supporting livelihood initiatives for home-based workers, strengthening water sanitation, and hygiene services, livelihood enhancement of small-holder farmers and promoting climate smart agriculture practices.

Additionally, meetings were held with the Sri Lanka Board Director and CA to receive updates on the status of SDF-funded projects under the social window in Sri Lanka.



## SAARC Secretary General inspects SDF Projects in Sri Lanka



During his visit to Sri Lanka on June 11, 2024, H.E. SAARC Secretary General Ambassador Md. Golam Sarwar inspected SDF-funded projects in Kandy, interacting with farmers and reviewing progress. SDF has allocated USD 0.75 million to scale up Climate Smart Agriculture (CSA) in South Asia, benefiting smallholder communities vulnerable to climate change.

The SAARC Agriculture Centre leads this initiative, complementing IFAD efforts. Implementing agencies have achieved significant progress and aim to complete remaining activities within the project period. Ambassador Sarwar suggested conducting impact assessments for all SDF projects. He was accompanied by his spouse, SAARC officials, and project beneficiaries.

Source © SAARC Secretariat

# SDF Extends Bamboo-Based Enterprise Project in SAARC Countries



The SDF Board approved a No-Cost Time Extension for the project "Promoting Integrated Bamboo-Based Enterprise Development among SAARC Countries" in Bangladesh (implemented by Bangladesh Rural Improvement Foundation) and India (implemented by Foundation for MSME Cluster). The extension allows the project components to continue until December 31, 2024, facilitating further progress and impact in promoting integrated bamboo-based enterprises across SAARC countries.

The SDF project has played a pivotal role in training 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 Community Facility Centers and provided essential equipment, further supporting the local bamboo industry.

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.

## 'Bhutan TSHAR Institute' Delivers Unique Bamboo Products Across Bhutan



Source: ©Tarayana Foundation

The Tarayana Foundation, SDF's partner in Bhutan, recently facilitated the delivery of beautifully crafted bamboo construction materials and lifestyle products.

These unique items, including bamboo utensils, lampshades, and furniture like chairs, tables, and beds, were distributed to several notable locations in Thimphu, as well as in Zhemgang and Mongar districts of Bhutan.

Each piece, a testament to the skill and dedication of our artisans, was crafted by the talented members of the TSHAR

Institute and the Kaktong, Nangla, Bjoka, and Mewangang Self-Help Groups in Zhemgang.

TSHAR Institute, which was established as part of SAARC Development Fund regional bamboo project together with TaraYana Foundation, underscores the country's commitment to promoting the bamboo industry through capacity development, product design, quality standards, and research and innovation.



## IN BRIEF:

The Business Units (Social Window and E &I) met with the Global Healthcare System, Government Services, International SOS, team members ( Regional Medical Director, South East Asia and Medical Director, India and South Asia) on May 16, 2024 to explore business opportunity related to the health sector in the member states.

The Social Window team discussed possible project collaboration with Druk Garden Home Appliances ' Yoe gi Thab ' on no carbon emission electric stove in the region.



The SDF team held a meeting with officials from the **International Finance Corporation** (IFC) in June 2024 to explore potential collaboration opportunities for co-financing projects in the region.

This engagement agreed to identify synergies and develop sustainable financing solutions that align with regional development goals, including private sector development.

By partnering with IFC, E&I seeks to leverage their expertise in financial structuring and investment to support key infrastructure initiatives that promote economic growth, environmental sustainability, and private sector growth. This collaboration is expected to enhance the region's capacity to attract investment, foster long-term development, and stimulate private sector participation.

SDF team also met with Mr Tshewang Dorji, Director of **BIMSTEC** (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation).

Mr Dorji visited SDF secretariat to explore co-funding and partnership opportunities between SDF and BIMSTEC in the climate sector.



# Economic and Infrastructure Windows

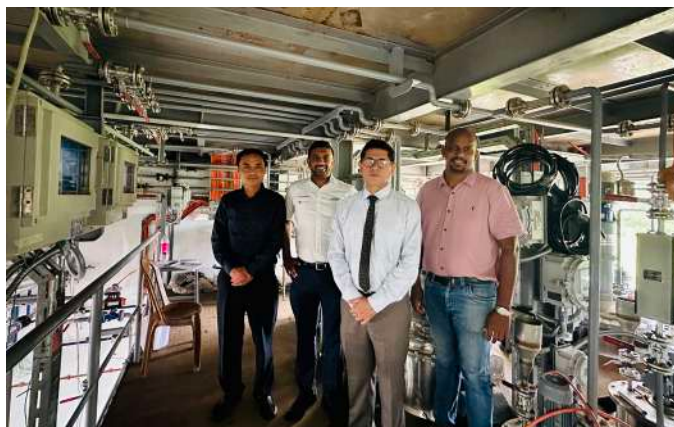
The Economic & Infrastructure (E&I) Windows of SDF provide loans for financing both sovereign and non-sovereign projects in the SAARC Member States. The mandate of the E&I windows is to finance economic and infrastructure projects in the member states with direct benefit going to at least 2 member states.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

The E&I Team continue to strategize in order to garner sound bankable projects and have initiated partnership meetings and events with several relevant organizations and partners:

During this quarter, the Officer In-Charge and Assistant Director (E&I) visited JAT Holdings' headquarters in Sri Lanka, engaging with their management and visiting their project sites based on the funding proposal submitted by JAT Holdings.

Discussions were held regarding a possible investment for JAT Holdings' factory expansion projects in Sri Lanka and Bangladesh.

JAT Holdings is a listed company in Sri Lanka and has maintained a market-leading position in the wood coatings sector for over 20 years, primarily through its flagship product, Sayerlack. In addition to its strong wood coatings brand portfolio, JAT represents globally renowned brands across various sectors, including Harris for brushes and Herman Miller for ergonomic office furniture.



The E&I also participated in the Bhutan Green Transport Projects (BGTP) Investor Day in Thimphu, Bhutan following a key meeting with the World Bank in early 2024. The event was attended by various stakeholders from the World Bank, ADB, JICA, Ministry of Infrastructure and Transport (MoIT), etc. to discuss potential co-financing for the Bhutan Green Transport Project (BGTP). This initiative is designed to advance low-emission transport options, aligning with Bhutan's sustainable development goals and its commitment to carbon neutrality since 2009. The BGTP focuses on three primary interventions:

- o Investments in green transport infrastructure.
- o Procurement of zero-emissions performance buses and essential operating assets for bus services.
- o Provision of technical assistance and support for institutional development.





# 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](http://www.sdfsec.org)



Towards Regional Integration and Economic  
Cooperation Through Project Funding

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