



## ***Media Release***

# **SAARC Development Fund celebrates a decade of project funding for regional integration and economic cooperation**

**Thimphu Bhutan, 27 April 2020** – 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 - Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka - 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.

“SAARC Development Fund’s mission was clear from the beginning – to promote Regional Integration and Economic Cooperation among the SAARC Member States through project funding and collaboration.”,” said CEO of SDF, Dr. Sunil Motiwal. “To realize this mission, we at SDF continue to undertake a number of initiatives for the strategic growth of the region. The last 10 successful years have offered us new projects, partners for co-funding and many new interventions to enable SDF to become a strong regional financial institution.”

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 the projects, SDF considers the partnership with the Royal Government of Bhutan (our host country) and the support of all the eight SAARC Member States, an immense privilege in traversing this journey of promoting the welfare of the people of SAARC region,” said CEO Dr Sunil Motiwal. “As we move forward, we also have an ambitious plan ahead of us to make SDF a robust regional financial institution for the strategic growth of this region.”

SDF is also working with partners to fund COVID-19 projects to mitigate the financial losses and severe socio-economic impact of the pandemic. “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.

Dr Motiwal added that partnership is key for the South Asia region to realize its full economic potential. Hence, SDF has strengthened relationship with various partners to co-finance the cross-border regional projects and established ties with various Multinational Development Banks, International Financial Institutions, Regional banks, MSME Banks, SME Banks, Chamber of Commerce and Industries, and Trade and Investment Promotion Agencies.

“The increase in our engagements in South Asia reflects our strong commitment to improving the lives of the region’s people. But there are challenges too,” said the CEO. “Development changes in the region, trade barriers, income inequalities and environmental issues come in the way of SDF in accelerating economic growth, social progress and poverty alleviation.”

However, being one of the fastest growing regions in the world with the largest population of young people, there is a huge potential for SDF to bring synergy across all member countries and harness the advantages of a vibrant economy.

He said that SDF is committed to working closely with the people and the governments of the SAARC Member States. SDF would like to extend its warmest wishes on the occasion of the 10th anniversary of the SAARC Development Fund to the people and the governments of the SAARC countries.

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