

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

UNSTARRED QUESTION No.929

TO BE ANSWERED ON FEBRUARY 08, 2019

**SAARC Development Fund**

929. SHRIMATI POONAM MAHAJAN :

Will the Minister of FINANCE be pleased to state:

- (a) The salient features of SAARC Development Fund;
- (b) Whether SAARC Development Fund is in the process of developing an e-commerce platform to enable seamless trade of goods and services across SAARC member states and if so, the details thereof including the regulatory and operational framework of the platform; and
- (c) Whether SAARC Development Fund is working on a roadmap to strengthen its credit portfolio and tap the financial market before converting itself into a full-fledged SAARC Development Bank and if so, the details thereof?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI P. RADHAKRISHNAN)**

- a) The SAARC Development Fund (SDF) was established in 2010 by the SAARC member countries to promote the welfare of people of the SAARC region, to improve their quality of life and to accelerate economic growth, social progress and poverty alleviation in the region. The SDF aims to serve as the umbrella financial institution for SAARC projects and programmes, which are in fulfilment of the objectives of the SDF Charter. It aims to contribute to regional cooperation and integration through project collaboration. The SDF operates through three windows namely, Social Window, Economic Window and Infrastructure Window.

The SDF governance structure consists of SDF Governing Council comprising of the SAARC Ministers of Finance and a Board of Directors comprising of one member

nominated by each Member country. The Permanent Secretariat of the SDF is at Thimphu, Bhutan.

- b) The SDF has circulated a proposal titled 'SAARC B2B Project of SAARC Chamber of Commerce and Industry (CCI)' to provide USD 54,705 (United States Dollars Fifty-four thousand, seven hundred five only) to SAARC Chamber of Commerce and Industry to develop an online platform, where the business persons, investors especially the Small and Medium Enterprises of the South Asian region, could share information, hold meetings and do trade with each other. The portal aims to facilitate access to trade-related regulatory information, including commercial laws and regulations governing import, export and transit of commercial goods, procedures and requirements for processing licenses and provide samples of various permits.
- c) SDF takes various measures to develop a pipeline of projects from member countries in accordance with SDF Charter and the SDF Bye Laws allows it to access capital market with the approval of the Governing Council. SDF has prepared a Strategic Plan to be able to better execute the objectives of the SDF Charter. However, there is no proposal under consideration to tap the financial market or convert SDF into SAARC Development Bank.

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