India - Sri Lanka Relations
The relationship between India and Sri Lanka is more than 2,500 years old. Both countries have a legacy of intellectual, cultural, religious and linguistic interaction. In recent years, the relationship has been marked by close contacts at all levels. Trade and investment have grown and there is cooperation in the fields of development, education, culture and defence. Both countries share a broad understanding on major issues of international interest. In recent years, significant progress in implementation of developmental assistance projects for Internally Displaced Persons (IDPs) and disadvantaged sections of the population in Sri Lanka has helped further cement the bonds of friendship between the two countries.

The nearly three-decade long armed conflict between Sri Lankan forces and the LTTE came to an end in May 2009. During the course of the conflict, India supported the right of the Government of Sri Lanka to act against terrorist forces. At the same time, it conveyed its deep concern at the plight of the mostly Tamil civilian population, emphasizing that their rights and welfare should not get enmeshed in hostilities against the LTTE.

The need for national reconciliation through a political settlement of the ethnic issue has been reiterated by India at the highest levels. India's consistent position is in favour of a negotiated political settlement, which is acceptable to all communities within the framework of a united Sri Lanka and which is consistent with democracy, pluralism and respect for human rights.

Political Relations
President Maithripala Sirisena was elected as the new President of Sri Lanka in the presidential election held on January 8, 2015. He succeeded former President Mahinda Rajapaksa. On the same day, Mr. Ranil Wickremesinghe was also sworn in as the new Prime Minister of Sri Lanka on January 9, 2015.

Political relations between the two countries have been marked by high-level exchanges of visits at regular intervals.

President Sirisena visited India on a four-day starting 15 February 2015. Sri Lankan Foreign Minister Mangala Samaraweera visited New Delhi in January 2015 on his first overseas official visit. Earlier, President Mahinda Rajapaksa travelled to New Delhi in May 2014 to attend the swearing-in ceremony of Prime Minister Modi and visited Tirupati in December 2014. Then Prime Minister Mr. D. M. Jayaratne attended the 19th Convocation ceremony of Manipal University in November 2014. The Sri Lankan Defence Secretary travelled to India in October 2014 and also visited India earlier, in March 2014, to attend NSA–Level Trilateral Meeting on Maritime Security Cooperation.

Prime Minister Narendra Modi visited Sri Lanka on 13-14 March, 2015. He also travelled to Anuradhapura, Talaimannar, and Jaffna. External Affairs Minister Ms. Sushma Swaraj was in Colombo on 6-7 March to prepare for Prime Minister’s visit. Former President Dr. Abdul Kalam visited Sri Lanka from 25-27 June 2015 to participate in the
“International Energy Symposium titled Energy Challenges in the Knowledge Economy”. National Security Advisor of India, Mr. Ajit Doval, visited Sri Lanka in November-December 2014 to participate in the annual International Maritime Conference ‘Galle Dialogue’. His visit was preceded by that of Defence Secretary Mr. R. K. Mathur who visited Sri Lanka in October 2014 to participate in the second Annual Defence Dialogue (ADD). Commerce Secretary Shri Rajeev Kher visited Sri Lanka on March 4, 2015 for the third round of Commerce Secretary level interactions. Then External Affairs Minister of India Shri Salman Khurshid, visited Sri Lanka in October and in November 2013. External Affairs Minister Ms. Sushma Swaraj led a 12-member Parliamentary delegation to Sri Lanka from in April 2012 as Leader of Opposition in the Lok Sabha.

Commercial Relations
Sri Lanka has long been a priority destination for direct investment from India. Sri Lanka is India’s second largest trading partner in SAARC. India in turn is Sri Lanka’s largest trade partner globally. Trade between the two countries grew particularly rapidly after the entry into force of the India-Sri Lanka Free Trade Agreement in March 2000. According to Sri Lankan Customs, bilateral trade in 2014 amounted to US $ 4.6 billion, achieving a growth of 23.37% compared to 2013. Exports from India to Sri Lanka in 2014 were US$ 3977 million, while exports from Sri Lanka to India were US $ 625 million.

India is among the top four investors in Sri Lanka with cumulative investments of over US$ 1 billion since 2003. The investments are in diverse areas including petroleum retail, IT, financial services, real estate, telecommunication, hospitality & tourism, banking and food processing (tea & fruit juices), metal industries, tires, cement, glass manufacturing, and infrastructure development (railway, power, water supply).

A number of new investments from Indian companies are in the pipeline or under implementation. Notable among them are proposals of Shree Renuka Sugar to set up a sugar refining plant at Hambantota (US $ 220 million), South City, Kolkata for real estate development in Colombo (US $ 400 million), Tata Housing Slave Island Development project along with Urban Development Authority of Sri Lanka (US $ 430 million), ‘Colombo One’ project of ITC Ltd. (ITC has committed an investment of US$ 300 million, augmenting the earlier committed US 140 million). Dabur has already set up a fruit juice manufacturing plant (US$ 17 million) in May 2013.

On the other hand, the last few years have also witnessed an increasing trend of Sri Lankan investments into India. Significant examples include Brandix (about US$ 1 billion to set up a garment city in Vishakapatnam), MAS holdings, John Keels, Hayleys, and Aitken Spence (Hotels), apart from other investments in the freight servicing and logistics sector.

Developmental Cooperation
The conclusion of the armed conflict saw the emergence of a major humanitarian challenge, with nearly 300,000 Tamil civilians housed in camps for Internally Displaced Persons (IDPs). The Government of India put in place a robust programme of
assistance to help the IDPs return to normal life as quickly as possible as also consistently advocated the need for them to be resettled to their original habitations as early as possible. India’s immediate humanitarian assistance to IDPs included supply of 250,000 family relief packs, establishment of an emergency medical unit which treated over 50,000 IDPs, supply of over one million roofing sheets, as well as 400,000 bags of cement for constructing temporary housing and provision of 95,000 starter packs of agricultural implements. India also assisted in revival of agricultural and economic activities in areas affected by the conflict.

The main impetus for stepping up of India’s development assistance flowed from the commitments made during the visit of President of Sri Lanka to India during June 2010, when the then Prime Minister of India announced a Development Package for Sri Lanka. This included construction of 50,000 housing units, rehabilitation of the Northern Railway lines, wreck-removal and rehabilitation of the KKS Harbour, establishment of Vocational Training Centres, construction of a Cultural Centre at Jaffna, setting up a 500 MW coal power plant at Sampur, restoration of Thiruketheeswaram Temple, establishing an Agricultural Research Institute in the Northern Province, expanding the scholarship program for Sri Lankan students to pursue their higher studies in India, setting up Centres for English Language Training and providing technical assistance for the National Action Plan for a Trilingual Sri Lanka.

The Housing Project, with an overall commitment of over INR 1372 crore in grants, is the flagship project of Government of India’s assistance to Sri Lanka. It is perhaps the largest such project undertaken by the Government of India overseas. The first stage of construction of 1,000 houses in the Northern Province was completed in July 2012. The second phase of constructing or repairing 45000 houses in the Northern and Eastern Provinces is being implemented under an innovative owner-driven model, wherein the owner-beneficiaries undertake the construction/repair of their houses themselves and Government of India arranges technical support and financial assistance. This phase was launched on the birth anniversary of Mahatma Gandhi on 2 October 2012. It has made excellent progress since its launch and the target to construct 26000 by end of December 2014 has been achieved. As on July 2015, more than 30500 houses have been completed and the remaining houses under the second phase are expected to be completed by end 2015. In the third phase, 4000 houses will be built for Indian Origin Tamils in the Central/ Uva Provinces for which the modalities of implementation is being worked out.

Sri Lanka is one of the major recipients of development credit given by the Government of India. Under a line of credit of $167.4 million, the tsunami-damaged Colombo-Matara rail link has been repaired and upgraded. Another line of credit of $800 million for track laying and supply of rolling stock to support construction of Medawachchiya to Madhu, Madhu to Talaimannar, Omanthai to Pallai, Pallai to Kankesanthurai railway lines and setting up of signaling and telecommunications systems in Northern Sri Lanka is already operational. In October 2014 the Pallai-Jaffna reconstructed railway track and signal system was inaugurated thereby reconnecting Jaffna to Colombo by rail.
India also continues to assist a large number of smaller development projects in areas like education, health, transport connectivity, small and medium enterprise development and training in many parts of the country through its grant funding.

**Cultural Relations**

The Cultural Cooperation Agreement signed by the Government of India and the Government of Sri Lanka on 29 November, 1977 at New Delhi forms the basis for periodic Cultural Exchange Programmes between the two countries. The Indian Cultural Centre in Colombo actively promotes awareness of Indian culture by offering classes in Indian music, dance, Hindi and Yoga. High Commission organized an event on 21 June 2015 to celebrate the First International Day of Yoga at the iconic ocean side promenade Galle Face Green. The event was attended by two thousand yoga enthusiasts. Every year, cultural troupes from both countries exchange visits.

India and Sri Lanka commemorated the 2600th year of the attainment of enlightenment by Lord Buddha (SambuddhatvaJayanthi) through joint activities. These included the exposition of Sacred Kapilavastu Relics in Sri Lanka that took place in August - September 2012. During the exposition, approximately three million Sri Lankans (nearly 15 percent of the total population of Sri Lanka) paid homage to the Sacred Relics. The Indian Gallery at the International Buddhist Museum, Sri Dalada Maligawa, was inaugurated in December 2013. The Gallery highlights the shared heritage and close Buddhist links between India and Sri Lanka. The two Governments jointly celebrated the 150th Anniversary of Anagarika Dharmapala in 2014.

The India-Sri Lanka Foundation, set up in December 1998 as an intergovernmental initiative, also aims towards enhancement of scientific, technical, educational and cultural cooperation through civil society exchanges and enhancing contact between the younger generations of the two countries.

Education is an important area of cooperation. India now offers about 290 scholarship slots annually to Sri Lankan students. In addition, under the Indian Technical and Economic Cooperation Scheme and the Colombo Plan, India offers nearly 200 slots annually to Sri Lankan nationals.

Tourism also forms an important link between India and Sri Lanka. Government of India formally launched the e-Tourist Visa (eTV) scheme for Sri Lankan tourists on 14 April 2015. In 2014, out of the total 1,527,153 tourists, 242,734 were from India constituting 15.89% of the total number of tourist arrival to Sri Lanka. Sri Lankan tourists too are among the top ten sources for the Indian tourism market. In 2014, around 200,000 visas were issued by the High Commission and other posts in Sri Lanka to facilitate travel between Indian and Sri Lanka.

**Fishermen issue**

Given the proximity of the territorial waters of both countries, especially in the Palk Straits and the Gulf of Mannar, incidents of straying of fishermen are common. Both countries have agreed on certain practical arrangements to deal with the issue of *bona*
fide fishermen of either side crossing the International Maritime Boundary Line. Through these arrangements, it has been possible to deal with the issue of detention of fishermen in a humane manner.

**Indian Community**
The People of Indian Origin (PIOs) comprise Sindhis, Borahs, Gujaratis, Memons, Parsees, Malayalis and Telugu speaking persons who have settled down in Sri Lanka (most of them after partition) and are engaged in various business ventures. Though their numbers (10,000 approximately) are much lesser as compared to Indian Origin Tamils (IOTs), they are economically prosperous and are well placed. Each of these communities has their organization which organizes festivals and cultural events. According to unofficial statistics, it is estimated that around 14,000 Indian expatriates are living in Sri Lanka.

The IOTs are mostly employed in either tea or rubber plantations in Central, Uva and Sabrangamuwa Provinces though during the last decade, the younger generation has been migrating to Colombo in search of employment. A fair number of IOTs living in Colombo are engaged in business. According to Government census figures (2011), the population of IOTs is about 1.6 million.

**Useful Links**
Website of High Commission of India, Colombo
http://www.hcicolombo.org/

High Commission of India, Colombo Facebook link https://www.facebook.com/hcicolombo

Indian Cultural Center, Colombo Facebook link https://www.facebook.com/indianculturalcentre


Twitter https://twitter.com/IndiainSL

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