

Brief on 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 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

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

Prime Minister Mr. Ranil Wickremesinghe paid an official visit to India from 18-20 October 2018. Former President and currently Leader of Opposition Mahinda Rajapaksa visited New Delhi from 10-13 September 2018 to address a private event and called on Prime Minister Shri Narendra Modi. He again visited Bangalore from 8-13 February 2019 to deliver speech at the event organized by The Hindu newspaper. Speaker Karu Jayasuriya led a multi-party Parliamentary delegation to India in September 2018.

President Sirisena visited India on a four-day visit starting 15 February 2015. President Sirisena visited India on 13-14 May 2016 on a working visit. During the visit, he visited New Delhi, Ujjain and Sanchi. President Sirisena travelled to India on 19-21 August 2016 on a private visit. President Sirisena visited India on 15-17 October 2016 to attend the BRICS-BIMSTEC Outreach Summit. President Sirisena attended Seventh Session of the Conference of Parties (COP7) to World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC) in New Delhi on 6-7 November 2016. President Sirisena attended the Founding Conference of International Solar Alliance (ISA) in New Delhi on 19 March 2018.

Prime Minister Ranil Wickremesinghe visited India in September 2015, his first overseas visit after being appointed as Prime Minister. Prime Minister Wickremesinghe travelled to India on 4-6 October

2016 for the India Economic Summit. He again paid a working visit to India from 25-29 April, 2017 and an MOU on cooperation in economic projects was signed during the visit. Prime Minister Ranil Wickremesinghe made a private visit to Tirupati in August 2018. Prime Minister of Sri Lanka Ranil Wickremesinghe visited New Delhi from 18-20 October 2018. During this visit Prime Minister of Sri Lanka met Prime minister, Home Minister, NSA and Minister for Road Transport and Highways and Shipping. There are regular Ministerial visits from Sri Lanka to India taken place.

Prime Minister Shri Narendra Modi visited Sri Lanka on 13-14 March, 2015. He travelled to Anuradhapura, Talaimannar, and Jaffna. Prime Minister Shri Narendra Modi again visited Sri Lanka on 11-12 May 2017 as a Chief Guest to attend the International Day of Vesak celebrations in Sri Lanka. During the visit, he dedicated Dickoya hospital, addressed a gathering in Norwood's ground and took blessings at Sri Dalada Maligawa temple in Kandy.

Prime Minister Modi made a solidarity visit to Sri Lanka on 9 June 2019 after the Easter Sunday terror attacks in Sri Lanka, during his first overseas tour in the current term as PM. During the visit PM paid respects at one of the attack sites - St Anthony's Church, met with Sri Lankan President, Prime Minister, Leader of Opposition and TNA leadership and also interacted with Indian community in Sri Lanka.

Smt. Sumithra Mahajan, Speaker of Lok Sabha visited Sri Lanka from 02-07 October 2017 to attend a special parliamentary Session in celebration of 70th Anniversary of the establishment of Parliament of Sri Lanka on 03 October 2017 and to attend 8th Conference of the Association of SAARC Speakers and Parliamentarians held in Colombo. External Affairs Minister Smt. Sushma Swaraj led an inter-ministerial delegation to Colombo from 5-6 February 2016 for the 9th Session of the India-Sri Lanka Joint Commission. Earlier, External Affairs Minister Smt. Sushma Swaraj was in Colombo on 6-7 March 2015 to prepare for Prime Minister's visit. EAM visited from 31 August-01 September 2017 to attend the second Indian Ocean Conference organized in Colombo. Commerce and Industry Minister Smt. Nirmala Sitharaman visited Sri Lanka on 26-27 September 2016.

Shri Ravi Shankar Prasad, Minister of Law and Justice and Electronics & Information Technology visited Sri Lanka from 14-17 January, 2018. A MoU for Cooperation in IT & Electronics was signed. Sri Lanka also joined the National Knowledge Network (NKN), being the first SAARC country to do so. A pilot program on E-Office, developed by NIC was also launched, wherein the first eGov documentation was digitally signed for the first time in Sri Lankan public sector.

On 05 May 2017, President Sirisena joined other leaders from South Asian countries through the video conferencing after the launch of South Asia satellite, which is gifted by India to South Asian countries.

Commercial Relations

Sri Lanka has long been a priority destination for direct investment from India. Sri Lanka is one of India's largest trading partner in SAARC. 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 2018 amounted to US \$ 4.93 billion. Exports from India to Sri Lanka in 2018 were US\$ 4.16billion, while exports from Sri Lanka to India are US\$ 767 million.

The main items of exports from Sri Lanka to India are: Base Oil, Poultry feeds, Areca nuts, (waste and scrap) paper or paperboard, Pepper, Ignition Wiring Sets, Copper wire, Marble, travertine and alabaster. Main items of Imports from India to Sri Lanka are: Gas oil/ Diesel, Motorcycles, Pharmaceutical Products, Portland cement, Semi finished products of Iron, Military weapon, Fuel oil, Rice, Cement clinkers, Kerosene Type jet Fuel.

India is one of the largest investors in Sri Lanka with cumulative investments of around USD 1.239 billion. The investments are in diverse areas including petroleum retail, IT, financial services, real estate, telecommunication, hospitality & tourism, banking and food processing (tea & fruit juices), copper and other metal industries), tires, cement, glass manufacturing, and infrastructure development (railway, power, water supply).

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 Visakhapatnam), MAS holdings, John Keels, Hayley's, and Aitken Spence (Hotels), apart from other investments in the freight servicing and logistics sector. There are healthy linkages between the business chambers of the two countries. Various Indian Chambers have signed MOU's with Sri Lankan Chambers to promote trade and economic relations, investments between India and Sri-Lanka. Indian Chambers also participate extensively in the various trade fairs organized in Sri Lanka.

Development Cooperation:

Sri Lanka is among the major recipients of development assistance from the Government of India. India's overall commitment stands close to US\$ 3 billion, out of which around US\$ 560 million are purely in grants.

The Indian Housing Project, with an initial commitment to build 50,000 houses for the war affected as well as the estate workers in the plantation areas, is Government of India (GoI)'s flagship project of developmental assistance to Sri Lanka. With an overall commitment of over Indian rupees (INR) 1372 crore in grants, it is one of the largest projects undertaken by GoI abroad. As of today, all the committed 46,000 houses in the Northern and Eastern Provinces have been completed. Out of the remaining 4,000 houses under construction in the Central and Uva Provinces meant for estate workers through an innovative community-driven approach, close to 1000 houses have been completed. The first lot of these houses built in the plantation areas was handed over in a ceremony attended by Prime Minister Ranil Wickremesinghe on 12 August 2018, in which Prime Minister Narendra Modi joined through video message. At that time, India and Sri Lanka also signed an agreement to commence construction of 10,000 additional houses which were announced by Prime Minister Narendra Modi during his visit to Sri Lanka in May 2017 at a projected cost of INR 485 crore. With this India's total commitment to build houses in Sri Lanka stands at 60,000.

Besides housing, India continues to assist in a large number of High Impact Community Development Projects in areas of education, health, transport connectivity, small and medium enterprise development and training across the country under grant assistance. Completed projects during the year include provision of livelihood assistance to nearly 70,000 people from fishing and farming community in

Hambantota, supply of medical equipment to Vavuniya Hospital and 150 Boats and Fishing gear for Mullaithivu fishermen. A modern 1500 - seat auditorium named after Rabindranath Tagore in Ruhuna University, Matara, the largest in any University in Sri Lanka was also handed over in October 2018.

Work on construction of 153 houses in Sobitha Thero Village in Anuradhapura, upgradation of Saraswathy Central College in Pusselawa, Kandy; construction of 600 houses under Model Village Housing Project in 25 districts of Sri Lanka and Gram-Shakti Housing Project to construct 600 houses in Southern Province of Sri Lanka, trilingual school in Polonnaruwa, construction of 5000 MT cold storage in Dambulla and construction of 600 houses each in Northern and Southern Provinces are progressing well. Memoranda of Understandings for new SDPs viz. construction of 3400 toilets in Batticaloa, Construction of 300 Transit housing units in Mannar and establishment of IT incubation center in the North were signed.

The launch of islandwide operations of the 1990 Emergency Ambulance Service in Sri Lanka, financed under Indian grant assistance, was held in Jaffna on 21 July 2018 wherein Prime Minister Narendra Modi joined Prime Minister Ranil Wickremesinghe through a live video link from New Delhi. The Service which was initially launched in July 2016 in Western and Southern Provinces of Sri Lanka under an Indian grant assistance of around US\$ 7.56 million (88 ambulances), has been expanded to all Provinces in Sri Lanka, under an Indian grant of US\$ 15.02 million and the implementation is already complete in all the 9 Provinces. The grant covers procurement of 209 additional ambulances, training costs, as well as operational costs for one year after launch of services.

Under a US\$ 318 million Indian Line of Credit (LoC) Agreement signed between EXIM bank of India and Government of Sri Lanka in June 2017, a contract agreement for around US\$ 82.64 million for the supply of 160 passenger coaches to Sri Lanka Railways was signed between RITES Limited and Government of Sri Lanka in Colombo on 7 September 2018. Other projects identified under this Line of Credit have also made progress. India announced a new US\$ 100 million LoC for undertaking solar projects in Sri Lanka during the Founding Conference of the International Solar Alliance held on 11 March 2018, in which President of Sri Lanka Maithripala Sirisena participated.

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. On 21 June 2015 the First International Day of Yoga was celebrated at the iconic ocean side promenade Galle Face Green. The event was attended by two thousand yoga enthusiasts. In 2016, a similar event was organized at Mahavihara Devi Park to celebrate International Day of Yoga. Third and fourth International Day of Yoga (IDY) was celebrated at iconic Independence Square in Colombo with participation of President of Sri Lanka, H. E. Maithripala Sirisena and thousands of yoga enthusiasts.

Sacred relics from Sarnath were brought to Sri Lanka for the Vesak exposition organized from 29 April to 2 May 2018.

As a part of Commencement of 150th Birth Anniversary Celebrations of Mahatma Gandhi in Sri Lanka, following events were organized on 2nd October:

A special Video created by Mission “Vaishnav Jana To”, bhajan sung by popular Sri Lankan artists – Bathia, Santhush and Umaria was launched by President of Sri Lanka.

Release of Special commemorative postal stamps on Gandhiji by the Prime Minister of Sri Lanka

Launch by Speaker of Sri Lanka Karu Jayasuriya of a well-researched book in Sinhala on Mahatma Gandhi’s visit to Sri Lanka, written by veteran journalist Mr Sampath Bandara.

A special musical performance “Symphony One” by the Violin Maestro Dr. L. Subramaniam and the National Leipaja Latvian Philharmonic Orchestra.

Iconic Colombo Municipal Town Hall was lit with special LED lights to showcase Gandhi ji’s images.

550th Birth Anniversary of Sri Guru Nanak Dev Ji was commemorated with a talk, documentary screening and soulful rendition of Kirtan/Ardas.

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.

People to people contact:

To further strengthen people-to-people ties, the first ever pilgrimage to Bodh Gaya for Sri Lankan Armed Forces personnel and their families was organised from 24-26 June 2018. A special Indian Air Force C-17 aircraft was deployed to Colombo to transport 160 Armed Forces personnel and their families to Bodh Gaya and back. Second edition of the visit where both Indian and Sri Lankan forces visited Sri Lanka and India respectively was organized in June 2019. A 55 member delegation from Mahabodhi Society of India visited prominent Buddhist sites in Sri Lanka during the last week of June 2018. Prime Minister announced during his visit to Colombo, in his Vesak Address on 12 May 2017, that AI will operate direct flights between Varanasi and Colombo. The inaugural flight between Varanasi and Colombo was flagged off on 4 August 2017.

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. Subsequently, in a goodwill gesture, the visa fee for eTV was sharply reduced. India is the top source for tourist influx into Sri Lanka with over 424,887 Indian tourists travelling to Sri Lanka in 2018.

Sri Lankan tourists too are among the top ten sources for the Indian tourism market.

Human resource development:

India now offers about 710 scholarship slots annually to Sri Lankan students, including study in Sri Lanka and in India. In addition, under the Indian Technical and Economic Cooperation Scheme and the

Colombo Plan, India offers 400 slots annually to Sri Lankan nationals for short and medium term training courses in a wide variety of technical and professional disciplines. From the academic session 2017-18, Sri Lankan students can also appear for National Eligibility cum Entrance Test (NEET) in centers in India for MBBS/BDS admissions. IIT JEE (Advanced) entrance examinations have commenced in Sri Lanka from 2017.

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. India and Sri Lanka have agreed to set up a Joint Working Group (JWG) on Fisheries between the Ministry of Agriculture and Farmers Welfare of India and Ministry of Fisheries and Aquatic Resources Development of Sri Lanka as the mechanism to help find a permanent solution to the fishermen issue.

So far two meetings at Ministerial level (January 2017 in Colombo & October 2017 in New Delhi) and three rounds of JWG meetings (December 31, 2016 in New Delhi; April 7, 2017 in Colombo and October 2017 in New Delhi). The delegation from both sides deliberated on the fisheries issue including co-operation on patrolling, setting up of a Hotline between two Coast Guards, introduction of effective tracking systems for fishing vessels, release of Indian boats in Sri Lankan custody, SOPs for release and handing over of arrested fishermen and measures to phase out bottom trawling in Palk Bay. Another instrument to encourage an amicable solution has been fishermen association level talks, overseen by both Governments. Three rounds of meetings were held in 2014-15.

Indian Community

The People of Indian Origin (PIOs) comprise Sindhis, Borahs, Gujaratis, Memons, Parsis, 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 Sabragamuwa 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.

September 2019