

## India- Sri Lanka Relation: RSTV – Big Picture

**Anchor-** Frank Rausan Pereira.

**Guests-** Vishnu Prakash, Former Ambassador; Vice Admiral Shekhar Sinha (Retd.), Defence Expert; K Siddhartha, Former Advisor to Sri Lanka Government & Strategic Expert

### What's in the News?

- Sri Lankan Prime Minister Mahinda Rajapaksa is on a four-day state visit to India.
- India and Sri Lanka are expected to hold talks on a number of key areas including trade, defense, and maritime security cooperation.
- The visit would be Sri Lankan Prime Minister Rajapaksa senior's first overseas visit since his brother Gotabaya was elected as the President in November. A bilateral meeting between Rajapaksa and Prime Minister Narendra Modi has been scheduled.
- The leaders are expected to prioritize defense and maritime security ties between both countries as the neighbors play a crucial role in the US-led Indo-Pacific initiative. This is seen largely as an attempt to counter China.
- The visiting dignitary is hoping to finalize the implementation of the \$450 million line of credit pledged by Prime Minister Modi to President Gotabaya Rajapaksa during his visit to New Delhi in November.

### Current status of bilateral relations:

- Sri Lanka finds a place in Indian mythology taking the relationship between both the nations back to more than 2500 years.
- Sri Lanka is India's closest maritime neighbor and is just 30 nautical miles away from the territorial boundary.
- Both India and Sri Lanka have a legacy of intellectual, cultural, religious and linguistic interaction. In recent years the relationship has strengthened further.
  - A Sri Lankan Minister was quoted as saying "China is our friend, but India is like our brother and we would not do anything to jeopardize its security."
- Trade and investment between the two countries has grown extensively along with cooperation in the fields of infrastructure development, education, culture, and defense.
- Both countries share a broad understanding on major issues of international concern.
- Sri Lanka is a part of **India's Maritime Domain Awareness (MDA)** network. Under this initiative India has setup **Coastal Surveillance Radars** across India and as well as in Seychelles, Mauritius, and Sri Lanka.

### History of Civil War

- Sri Lanka has been mired in ethnic conflict since the country became independent from British rule in 1948.
- In the years following independence, the Sinhalese, who resented British favoritism toward Tamils during the colonial period, disenfranchised Tamil migrant plantation workers from India and made Sinhala the official language.
- As ethnic tensions grew, in 1976, the **Liberation Tigers of Tamil Eelam (LTTE)** was formed under the leadership of Velupillai Prabhakaran, and it began to campaign for a Tamil homeland in northern and eastern Sri Lanka, where most of the island's Tamils resided.
- India being the homeland to almost 60 million Tamils out of the 77 million Tamils in the world, took part actively when the war between Sri Lankan Tamils and the Sinhalese majority erupted.
- [Indo-Sri Lankan Accord](#) was signed in 1987 to provide a solution to Sri Lanka's conflict.

- India had also deployed the **Indian Peace Keeping Force (IPKF)** in Sri Lanka under [Operation Pawan](#) to disarm the different militant groups. The IPKF was later withdrawn after three years amidst escalating violence.
- The violent conflict ended on 19th May 2009. Read more about this on [This Day in History dated 19 May 2009](#).
  - During the course of the conflict, India supported the right of the Government of Sri Lanka to act against terrorist outfits.
  - At the same time, it conveyed its deep solicitude at the plight of the civilian population, emphasizing that their rights and welfare should not get enmeshed in the hostilities against the LTTE.
  - India had voted against Sri Lanka in 2009, 2012 and 2013 at the US-sponsored United Nations Human Rights Council (UNHRC) resolution to investigate the alleged human rights violations in Sri Lanka that had occurred during the war.

### How important is Sri Lanka for India to achieve its objectives?

- Sri Lanka occupies a very critical and strategic location in the Indian Ocean region and has been of strategic geopolitical significance to several countries.
- Sri Lanka's ports are located on the busiest sea routes of communication. Their location can serve both commercial and industrial purposes.
- Sri Lanka can also be a potential military base, in fact, India and Sri Lanka's military relations are quite strong.

### What is the relevance of the Indian Ocean Rim Association (IORA)?

- The IORA is an international organization consisting of 22 coastal states bordering the Indian Ocean.
- It is a regional platform that brings together representatives of the Government, Business and the Academia to promote cooperation and closer interaction among them.
- The conjoint cooperation of India, Sri Lanka, and Maldives in the IORA is of significance, as any threat in the Indian Ocean region would affect the three countries directly.
- [Indian Ocean Rim Association \(IORA\)](#) has identified six priority areas to focus on, these are:
  - Maritime security
  - Trade and investment facilitation
  - Fisheries management
  - Disaster risk reduction
  - Academic and scientific cooperation
  - Tourism promotion and cultural exchanges.
- The IORA also aims to promote common and sustainable interests to aid balanced development of the region and thus, the member states.

### Issues:

- Sri Lanka had started favoring China during the time when the relations between India and Sri Lanka were low after the Civil War in Sri Lanka. Over time, however, the influence of China grew in Sri Lanka. Sri Lanka still relies heavily on Chinese funds for infrastructure projects, including the Port City project in Colombo.
- Illegal, unreported and unregulated fishing has been a bone of contention between India and Sri Lanka for a long time. Given the proximity of the territorial waters of both countries, especially in the Palk Strait and the Gulf of Mannar, incidents of fishermen straying are common.
- Sri Lanka has been expressing concerns over illegal fishing being carried out by Indian fishermen.
- The issue of **Katchatheevu Island** also has been one of the causes of disputes between the two South Asian nations.

### India's Commercial relations with Sri Lanka:

- India is Sri Lanka's largest trading partner globally.
- The trade between the two countries grew exponentially after the **India-Sri Lanka Free Trade Agreement (ISFTA)**. Sri Lanka's exports to India have increased meanwhile there has been high growth in India's exports to Sri Lanka, resulting in a widening of the balance of trade.
  - The main framework for bilateral trade has been provided by the India-Sri Lanka Free Trade Agreement (ISFTA) and it came into force in 2000.
  - The basic premise in signing the ISFTA was asymmetries between the two economies. Other reasons which led to the signing of the ISFTA include local socio-economic sensitivities, safeguard measures to protect domestic interests, and revenue implications so as not to impact high revenue-generating tariff lines in the short term.
  - The goods exported between India and Sri Lanka should conform to the Rules of Origin requirement, in order to receive the IFSTA benefits.
- The recent times have also witnessed an increase in Sri Lankan investments in India.
  - Petroleum retail, IT, financial services, hospitality, and tourism are the prominent areas of investment among other diverse areas.
- The Comprehensive Economic Partnership Agreement (CEPA) which hasn't been signed yet, had been offered as a sequel to the FTA with Sri Lanka, however, Sri Lanka hasn't signed it yet due to the hegemonic nature of India's exports.
- Tourism is one of the most important links between India and Sri Lanka. Every fifth tourist in Sri Lanka is from India.

### India's political relations with Sri Lanka:

- Sri Lanka is a member of regional groupings like [BIMSTEC](#) (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) and SAARC, in which India plays a leading role.
- Recently, in 2014 India had invited leaders of BIMSTEC member countries to attend the swearing-in of Prime Minister Narendra Modi and his council of ministers. This was in line with the government's focus on its '**Neighbourhood First**' policy.
- The **Cabotage Law** was relaxed by the Ministry of Shipping of India. This move was intended to bring greater competition to the feeder market which in turn would benefit local importers and exporters. This also had a positive effect on the trade between Sri Lanka and India.

### Way Forward:

- The **Sagarmala project** is an initiative by the government of India to enhance the performance of the country's logistics sector. This project should focus on Sri Lankan ports too.
- Indian fisheries would have to work on downstream processing in order to enhance its value, whereas, the Sri Lankan fisheries would have to focus on Inland Fisheries.
- Work jointly on the development of ports in both nations.
- India and Sri Lanka would've to find more areas to collaborate on. India should use its soft power while dealing with Sri Lanka.
- India needs to maintain regular dialogue with Sri Lanka for securing its maritime security interests in the Indian Ocean and also for pursuing permanent membership of the **United Nations Security Council (UNSC)**.

### Conclusion:

India shares a common cultural and security space with neighbouring countries in the South Asian region, especially Sri Lanka. As a prominent Asian nation with critical national interests in South Asia, India has a special responsibility to ensure peace and stability in its closest neighborhood. India is trying to reach out to Sri Lanka in an asymmetric manner. It should stay invested in Sri Lanka while the two countries recognize

the legitimacy of each other's concerns and operate in a way that is mutually beneficial.

