



EAM Visit to Sri Lanka

For Prelims: India-Sri Lanka Relations, Asia Development Bank, Palk Bay.

For Mains: India-Sri Lanka Relations, Neighborhood First policy, Sri Lanka's long-pending Tamil question.

Why in News?

Recently, **India's External Affairs Minister visited Sri Lanka**. The visit finalized an MoU that provided **India to set up hybrid power projects in three Islands (Nainativu , Delft or Neduntheevu , and Analaitivu) off Jaffna**.

- In this Project, India will effectively **replace the Chinese venture**.
- It is the **third Indian energy project** coming up in Sri Lanka's north and east.
- Earlier, **India extended a USD1-billion short-term concessional loan to Sri Lanka** to help the island nation cope with one of the [worst economic crisis](#) in decades.



What are the Highlights of the Visit?

- **Fending Off Chinese Threat:** In January 2021, Sri Lanka's Cabinet decided to award renewable energy projects in Nainativu , Delft or Neduntheevu , and Analaitivu islands to Chinese company Sinoaar-Etechwin, following an [Asia Development Bank](#)-backed competitive bid.
 - India was quick to express concern to the Sri Lankan side over the Chinese project coming

up in the [Palk Bay](#), barely 50 km off Tamil Nadu.

- Thus, India offered to execute the same project with a grant rather than a loan.
- **MRCC:** Further, India and Sri Lanka have also agreed to set up a **Maritime Rescue Coordination Center (MRCC)**, signaling greater defence sector collaboration between the neighbours.
 - MRCCs are **part of an international network under the UN's [International Maritime Organisation](#)** to monitor the sea lanes with the objective of swift response to emergencies, such as vessels in distress, rescue and evacuation of people, and prevention of and containing environmental disasters such as oil spills.
 - The agreement **appears to be part of India's [SAGAR \(Security and Growth for all in the Region\) initiative](#)** in the Indian Ocean, which has also seen India, Sri Lanka and Maldives give a new push to their 2011 [Colombo Security Conclave](#) that now includes Mauritius.
- **Fisheries Harbours:** India will also help develop fisheries harbours in Point Pedro, Pesalai, and Gurunagar in the Northern Province, and Balapitiya, south of capital Colombo.
- **Capacity Building:** India also assured supporting education, extending a grant for Sri Lanka's Unique Digital Identity project, and collaborating in diplomatic training.
- **Resolution of Tamil Question:** On developments in regard to [Sri Lanka's long-pending Tamil question](#), India has welcomed the recent talks between President Gotabaya Rajapaksa and the Tamil National Alliance (TNA) representing war-affected Tamils of the north and east.

What are Recent Issues in India-Sri Lanka Relations?

- **Killing of Fishermen:** Killing of Indian fishermen by the Sri Lankan Navy is a lingering issue between these two nations.
 - In 2019 and 2020, a total of 284 Indian [fishermen were arrested](#) and a total of 53 Indian boats were confiscated by the Sri Lankan authorities.
- **Influence of China:** China's rapidly growing economic footprint (and political clout as a corollary) in Sri Lanka is straining India-Sri Lanka relations.
 - China is already the largest investor in Sri Lanka, accounting for **23.6%** of the total [Foreign Direct Investment \(FDI\)](#) during 2010-2019 as against **10.4% from India**.
 - China is also one of the largest export destinations for Sri Lankan goods and holds over 10% of its external debt.
- **13th Amendment of the Sri Lankan Constitution:**
 - It envisages devolution of necessary powers to the provincial councils to address the just demand of the Tamil people for equality, justice, peace, and respect within a united Sri Lanka. India supports its implementation.

Way Forward

- A subterranean trust deficit exists between India and Sri Lanka yet neither Sri Lanka nor India can afford to have strained ties.
- However, as a much larger country, the onus is on India to carry Sri Lanka along. India needs to be extremely patient and avoid reacting to any pinpricks and engage Sri Lanka even more regularly and closely, especially at the highest levels.
- There is a need to step up our people-centric developmental activities while scrupulously staying clear of any interference in Colombo's domestic affairs.
- Nurturing the [Neighbourhood First policy](#) with Sri Lanka is important for India to preserve its strategic interests in the Indian Ocean region.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. Consider the following statements: (2020)

1. The value of Indo-Sri Lanka trade has consistently increased in the last decade.
2. "Textile and textile articles" constitute an important item of trade between India and Bangladesh.
3. In the last five years, Nepal has been the largest trading partner of India in South Asia.

Which of the statements given above is/are correct?

- (a) 1 and 2 only
- (b) 2 only
- (c) 3 only
- (d) 1, 2 and 3

Ans: (b)

EXP:

- As per data from the Department of Commerce, Indo- Sri Lanka bilateral trade value for a decade (2007 to 2016) was 3.0, 3.4, 2.1, 3.8, 5.2, 4.5, 5.3, 7.0, 6.3, 4.8 (in billion USD). It reflects continuous fluctuation in the trend of trade value. There has been an overall increase but the same cannot be said as consistent rise in trade value. **Hence statement 1 is not correct.**
- Bangladesh has been a major textile trading partner for India, with a share of more than 5% in exports and over 7% in imports. While annual textile exports to Bangladesh averages \$2,000 million, imports are worth \$400 (Year: 2016-17). **Hence, statement 2 is correct.**
- According to the data, in 2016-17, Bangladesh is India's largest trading partner in South Asia, followed by Nepal, Sri Lanka, Pakistan, Bhutan, Afghanistan and Maldives. The level of Indian exports also follows the same order. **Hence, statement 3 is not correct.**
- Therefore, option (b) is the correct answer.

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