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INDULGING INDO SRILANKA RELATIONSHIP

This article covers “Daily current events “and the topic is about “The Indo Srilanka relationship’ which is in news, it covers “International relations” In GS-2 and the following content has relevance for UPSC.

For Prelims: About Indo SriLanka relationship

For Mains: GS-2, India And its neighborhood

Why in news:

India became the first bilateral creditor of the island nation to formally back its essential debt restructure scheme following last year’s economic catastrophe when it issued written finance assurances to the International Monetary Fund (IMF).

During the visit of the Indian External Affairs Minister, a bilateral agreement on raising the cap of the High Impact Community Development Project (HICDP) was also inked.

Why is India’s Financing Assurance Important?

Only until China, Japan, and India, Sri Lanka’s official creditors, have given sufficient finance assurances, will the IMF’s interim USD 2.9 billion packages to Sri Lanka be approved.

The choice to finance assurance was also an affirmation of India’s commitment to the idea of “neighborhood first” and staying in one place.

How are the relations between India and Sri Lanka?

ABOUT INDO SRILANKA RELATIONSHIP

Two South Asian countries located in the Indian Ocean are Sri Lanka and India. Geographically, Sri Lanka is situated across the Palk Strait from India's southern coast.

The relationship between the two countries has been significantly shaped by this proximity.

Sri Lanka's location at the confluence of several maritime channels makes it a crucial point of control for India in the Indian Ocean, which is a strategically significant waterway for trade and military activities.

Relations:

Ties to the Past

Cultural, religious, and commercial relations between India and Sri Lanka go back many centuries. There are numerous Sri Lankans who can trace their ancestry to India, demonstrating the close cultural ties between the two nations. The Indian-born religion of Buddhism is also significant in Sri Lanka.

Economic ties

After the US and the UK, India is Sri Lanka's third-largest export market. The India-Sri Lanka Free Trade Agreement helps more than 60% of Sri Lanka's exports. India is a significant investor in Sri Lanka as well.

From 2005 to 2019, India's Foreign Direct Investment (FDI) totaled over USD 1.7 billion.

Defense: Joint military and naval exercises (Mitra Shakti) between India and Sri Lanka (SLINEX).

Relations between India and Sri Lanka:

Fisherman's murder: The killing of Indian fishermen by the Sri Lankan Navy continues to be a point of contention between these two countries.

284 Indian fishermen were detained in total in 2019 and 2020, and 53 Indian boats were seized by Sri Lankan police.

Influence of China: Relations between India and Sri Lanka are being strained as a result of China's quickly expanding economic imprint (and political clout as a result) in that country.

As of now, China is by far the greatest investor in Sri Lanka, making up 23.6% of all FDI from 2010 to 2019 compared to 10.4% from India.

The 13th Amendment to the Sri Lankan Constitution calls for the transfer of the essential authority to the provincial councils in order to respond to the legitimate demand of the Tamil people for equality, justice, peace, and respect within a united Sri Lanka.

Despite India's assistance, the 13th Amendment has not yet been "completely implemented" by the Sri Lankan government.

Hence, India, which has adhered to the "Neighborhood First strategy" to fortify ties with its neighbors, is able to go above and beyond to assist Sri Lanka in resolving the current situation and assisting Sri Lanka in realizing its potential, allowing Sri Lanka to benefit from a stable, friendly neighborhood.



Piyush Singh