

India's Development Cooperation in Sri Lanka



*Taranjit Singh Sandhu**

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India's development partnership with Sri Lanka has been an important facet of the close friendship between the two nations. This partnership has evolved over time as per the requirements of the people of Sri Lanka and the priorities set by their government.

While our development partnership has been strong through the decades, it significantly expanded in scope and breadth after the 2004 Tsunami and the end of the conflict in Sri Lanka in 2009. Since 2005, Government of India has committed around USD 2.9 billion to Sri Lanka, out of which USD 0.545 billion is outright grant assistance, and USD 2.35 billion is under concessional credit.

In the immediate aftermath of the conflict, the focus of Indian assistance was on emergency relief assistance for the Internally Displaced Persons (IDPs). Subsequently, the priority shifted to facilitate movement of the people and their early resettlement, such as deployment of demining teams, providing temporary shelters and assisting in livelihood restoration. Once the emergency and short-term needs were catered for, attention shifted to the long-term needs for housing, reconstruction and development. Infrastructure projects across Sri Lanka were also undertaken. The portfolio of projects is vast, and now encompasses virtually all areas, including housing, education, health, livelihood, vocational training, women empowerment, transport and culture, to list a few. Capacity building has been an integral part of these projects.

To cater to the wide variety of projects and beneficiaries, India's development projects are implemented under three broad rubrics. Large-scale infrastructure projects are implemented using highly concessional Lines of Credit (LoC) and Buyer's Credit schemes, with significant long-term impact over large parts of the population.

* High Commissioner of India to Sri Lanka.

The development of the railway sector, particularly the restoration of connectivity between northern and southern Sri Lanka, is a good example of this. Our USD 1.3 billion commitment has also covered restoration of railway lines in southern Sri Lanka, which were destroyed after the 2004 Tsunami, as well as supply of rolling stock and capacity building of Sri Lankan railway personnel. Similarly, a project to rehabilitate and upgrade Kankesanthurai harbor is underway, which will permit its full utilization as a commercial port and facilitate movement of cargo between southern India and northern Sri Lanka. A fresh USD 100 million LoC has just been announced for solar projects under the International Solar Alliance (ISA) framework. Indian companies are also engaged in projects in the water sector, with nearly US\$ 0.6 billion through Buyer's Credit.

Large grant assistance projects come under the second rubric, which also have large-scale impact. Its flagship project is the Indian Housing Project (IHP). With a grant outlay of around USD 345 million, IHP is an innovative beneficiary-driven model that is being replicated elsewhere, thanks to its tremendous success. Under this, India has nearly completed 46000 houses in Northern and Eastern Provinces of Sri Lanka, and construction of another 14000 houses (including 10000 houses announced by Hon'ble Prime Minister Shri Narendra Modi in May 2017 in Sri Lanka) in the plantation sector for estate workers is currently underway. Separately, another 1200 houses are being constructed across Sri Lanka, particularly in the Southern Province, in partnership with Sri Lankan government agencies, under their Model Village Programme and Gram-Shakti housing Programme.

Another innovative large grant project, which has contributed to saving thousands of lives, is the free Emergency Ambulance Service. It was initially launched in the Western and Southern Provinces with a grant of USD 7.56 million. It is now being expanded nationwide with an additional grant of USD 15.02 million, following an announcement by Prime Minister Modi in May 2017. Other important projects include a new 150-bed hospital complex at Hatton-Dickoya at a cost of around USD 7.6 million and a state-of-the-art cultural center in Jaffna at a cost of around USD 12 million. India has also undertaken the restoration of the historic Thiruketeeswaram temple in Mannar.

Small Development Projects (SDP), amounting to a maximum of around USD 2 million per project, comprise the third rubric. The objective of this modality is to simplify procedures and expedite approvals, and is underpinned by an overarching MoU between the two countries. These projects also help generate local jobs and enhance capacity. More than 70 SDPs across have been undertaken since 2005, with around 20 such projects currently under implementation.

The scope of these SDPs is truly diverse, and has included renovation of schools, provision of computers, establishment of English Language Labs and e-learning centers, provision of medical equipment to hospitals, construction of child development centres, establishment of Vocational Training Centres, renovation of Duraiyappa stadium in Jaffna, establishment of handicrafts village in Hambantota, setting up of industrial estate in Atchchuvveli, provision of fishing boats and other fishing implements to fishermen, setting up faculties of Engineering and

Agriculture in the Kilinochchi campus of Jaffna University, construction of 3000 rain water harvesting tanks in Jaffna, setting up a Kandyan Dance Training School under the Sacred Tooth Temple, establishment of a Trilingual National School in Polonnaruwa, and construction of a 1500 seat capacity auditorium in Ruhunu University in Matara, among others. A project to provide livelihood assistance by gifting sewing machines, bicycles with retrofitted stands to carry fish, and other agricultural implements to as many as 70,000 beneficiaries in Hambantota, was launched recently in April 2018. As an innovative variant, the Self-Employed Women's Association (SEWA), Gujarat, partnered with us in a project to impart vocational training for widows and women headed families in the Eastern Province. This will now be replicated in the Northern Province.

In addition to projects, India also offers capacity building assistance through short-term and long-term scholarship

programmes. Around 700 scholarships are provided annually to Sri Lankan students, for studies at various levels in India and Sri Lanka. In addition, around 400 short-term training slots are offered to Sri Lanka under Indian Technical and Economic Cooperation (ITEC) programme.

Apart from planned development partnership activities, India has also been the first responder with immediate relief and rescue assistance during natural calamities in Sri Lanka, be it the 2004 Tsunami or the 2017 floods.

Development partnership projects implemented by Government of India in Sri Lanka have been widely appreciated for the value they generate per unit of assistance provided, transparent and collaborative approach, timely implementation through recourse to local materials and manpower, and in a manner that supports local economies. India remains committed to partner with and assist in Sri Lanka's development efforts in all possible ways.

MARKING 60 YEARS OF SUCCESSFUL INDO-GERMAN DEVELOPMENT COOPERATION

India and Germany have recently signed agreements on financial and technical cooperation worth Rs 5,250 crore within the framework of the Indo-German development cooperation. The agreements mark 60 years of successful Indo-German development cooperation and the committed funds serve to continue successful development policy programmes. The focus is on sustainable urban development. As part of the cooperation, areas such as infrastructure development, urban mobility and climate resilience that go along the Indian government's 'smart cities' initiative. In December 2017, Germany pledged €1,055 million (around Rs 8,500 crore) for development cooperation with India during the Indo-German inter-governmental negotiations in Delhi. Environmental and resource protection is also one of the funded areas of the cooperation. Vocational training and social protection and the promotion of Indian women entrepreneurs are other areas of focus.

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