



INDIAN INVESTMENT IN COLOMBO PORT: A Game Changer in Sri Lanka's Port Industry?



About the Institute of South Asian Studies

The Institute of South Asian Studies (ISAS) is dedicated to research on contemporary South Asia. It was established in July 2004 as an autonomous research institute at the National University of Singapore (NUS). The establishment of ISAS reflects South Asia's increasing economic and political importance and the strong historical links between South Asia and Southeast Asia.

The Institute seeks to promote understanding of this vital region of the world and communicate knowledge and insights about it to policymakers, the business community, academia, and civil society in Singapore and beyond.

About the Pathfinder Foundation

The Pathfinder Foundation is an independent, non-partisan research and advocacy think-tank whose primary focus is on policy research and action-oriented policy reform. The Foundation was incorporated in 2008, under the leadership of its Founder, Milinda Moragoda. Today, the Pathfinder Foundation remains at the forefront of policy reform and plays a catalytic role as an advocate for important economic, social and political development, as well as strategic and security matters that affect Sri Lanka and the South Asian region. The Foundation also concentrates on tackling environmental and ocean-related issues pertaining to the Indian Ocean in general, and the Bay of Bengal in particular.

ISAS-Pathfinder Foundation Roundtable (Special Report)

Indian Investment in Colombo Port: A Game Changer in Sri Lanka's Port Industry?

May 2023

Authored by Ramita Iyer and Chulanee Attanayake

©2023 Institute of South Asian Studies

All Rights Reserved

*Cover photograph are courtesy of [Slpauthority@Twitter](#), [MayaMajueran@Twitter](#) and [Wikipedia Commons](#).
Printed in Singapore by Oxford Graphics Printers Pte Ltd*

Institute of South Asian Studies

National University of Singapore

29 Heng Mui Keng Terrace

#08-06 (Block B)

Singapore 119620

Tel (65) 6516 4239

Fax (65) 6776 7505

URL www.isas.nus.edu.sg

Pathfinder Foundation

Riverpoint

339/6, Negombo Road

Peliyagoda

Sri Lanka 11830

Tel (94) 114 529 953

URL www.pathfinderfoundation.org

Indian Investment in Colombo Port: A Game Changer in Sri Lanka's Port Industry?

Institute of South Asian Studies, Singapore
Pathfinder Foundation, Sri Lanka

May 2023 | Singapore

Ramita Iyer
Chulanee Attanayake

Special Report Issue No.25



CONTENTS

Executive Summary	3
Introduction	5
Sri Lanka's Port History	7
The Colombo Port Expansion Project	10
Chinese Investment in the Sri Lankan Port Industry	11
The East Container Terminal Controversy	13
The West Container Terminal and Indian Investment	16
Indian Investment in Sri Lankan Ports: Economic Prospects	19
Indian Investment in Sri Lankan Ports: Domestic Political Considerations	23
Indian Investment in Sri Lankan Ports: Foreign Policy Implications	25
The Way Forward	30
Appendix: About the Authors	31

Executive Summary

The Adani Group's agreement with John Keells Holdings and the state-owned Sri Lanka Ports Authority (SLPA) to develop the Colombo West International Container Terminal (CWICT) marks India's first successful foray into the Sri Lankan port sector. Coming in the aftermath of the controversial fallout between Sri Lanka and India over the development of the East Container Terminal (ECT) of Colombo port, the signing of the CWICT deal in September 2021 has sparked interest and discussion both within Sri Lanka as well as among its key partners and competitors in the region.

As an island nation in the Indian Ocean, Sri Lanka lies at the crossroads of the major shipping routes. The country's location has garnered the interest of regional and major powers which are interested in increasing their maritime strategic and economic footprint in the Indo-Pacific region. In the past decade, geopolitical competition has intensified between India, China and other Western players, and this rivalry is increasingly manifested in ports and port-related industries.

Considering the ongoing financial and economic crisis, Sri Lanka has much to gain from foreign investments in its port sector.

For Sri Lanka, developing its port sector brings immense economic growth prospects that can transform the country into a world-class regional hub. It also ties in with Colombo's goals of pursuing a neutral foreign policy. While certain port deals have resulted in controversy and opposition from various domestic constituents, ports and port-related infrastructure development through foreign investment has largely been advantageous for the country. Considering the ongoing financial and economic crisis, Sri Lanka has much to gain from foreign investments in its port sector.

In December 2021, the Institute of South Asian Studies in the National University of Singapore and the Pathfinder Foundation, Sri Lanka, jointly organised a roundtable. The event included presentations by a number of speakers, followed by moderated discussions and an interactive session with a group of invited participants. Titled 'Indian Investment in Colombo Port: A Game Changer in Sri Lanka's Port

Industry?', the roundtable brought together eminent experts from the academia and the business community in Singapore, Sri Lanka, India and China to discuss the ramifications of Indian investments in the Sri Lankan port sector, against the background of the evolving economic and geopolitical milieu in the region and beyond.

Introduction

With an investment of more than US\$700 million (S\$937 million), the deal will be the largest foreign investment in Sri Lanka's port sector.

On 30 September 2021, India's Adani Group signed an agreement with Sri Lanka's John Keells Holdings and the state-owned SLPA to jointly develop the CWICT. The Adani Group will have 51 per cent stakes, while John Keells Holdings and the SLPA will hold 34 per cent and 15 per cent respectively.¹ With an investment of more than US\$700 million (S\$937 million), the deal will be the largest foreign investment in Sri Lanka's port sector. In November 2022, the construction of the CWICT began with the commencement of dredging operations at the port site.

While there are extensive growth prospects from signing the CWICT agreement, the history of the signing was filled with much controversy. India had been in negotiations with the Sri Lankan government to build the ECT in Colombo and, in 2019, a Memorandum of Cooperation was signed between India, Japan and the SLPA to jointly develop the ECT. However, the Sri Lankan government retracted this memorandum, citing domestic opposition to foreign investment in infrastructure projects and pressure from local trade unions.

However, months later, in what Sri Lanka's then Foreign Secretary, Admiral Jayanath Colombage, noted to be a "compromise",² a new agreement was signed between Sri Lanka and the Adani Group to jointly develop the Western terminal of Colombo Port. The development of this terminal will have economic, political and geostrategic implications at the domestic, South Asian region and the broader Indo-Pacific levels. Sri Lanka is located at the crossroads of major shipping routes to South Asia, East Asia and the continents of Europe and the Americas. This makes it a convenient port of call for shipping lines and freight services. The port's location is significant for economic development and carries several growth opportunities for the transshipment of goods across the Indian subcontinent. However, there is debate domestically over foreign investment in infrastructure due to concerns over external interference in domestic matters as

well as Colombo's potential inability to secure lucrative deals for its ports.

Geopolitically, with Sri Lanka's strategic location in the Indian Ocean, the small island state has been attracting the attention and interests of major regional powers like India and China as well as Japan and the United States (US). With growing interest from various countries, especially the Western nations, in developments in the Indo-Pacific region, it is being touted that Sri Lanka might be the theatre where regional and great power rivalry will play out. There is also the question of China's growing sphere of influence in and on Sri Lanka over the years and the threat it poses to India's sphere of influence in the subcontinent.

There is also the question of China's growing sphere of influence in and on Sri Lanka over the years and the threat it poses to India's sphere of influence in the subcontinent.

This Special Report delves into Sri Lanka's port history, Colombo Port expansion project, Chinese investments in the country's port sector, the controversy over the ECT and the development of the CWICT through Indian investment. It also presents the economic prospects, domestic political considerations and foreign policy implications of Indian investments in Sri Lanka's port industry.

Sri Lanka's Port History

Sri Lanka has a long ancient maritime heritage dating over 2,000 years, where Colombo Port played a central role in the ancient spice route. Apart from spices, the island also engaged in the maritime trade of ivory, tortoise shells and precious gems.³ The harbour witnessed traders worldwide, ranging from Arabs and Chinese to Romans. Sri Lanka's rich maritime and port history bore testimony to the flourishing of trade in the region and the spread of religious beliefs and cultural practices.⁴

The British developed the port as a shipping point for tea and spices, and later functioning as a midway point for routes to ports along India's eastern coast.

Colombo Port's pre-modern development began with the arrival of the Portuguese in 1505. Since then, it emerged as a hub port for European, Asian and Arab traders under Portuguese rule, followed by the Dutch and British. The British developed the port as a shipping point for tea and spices, and later functioning as a midway point for routes to ports along India's eastern coast. These notable developments planted the seeds for Colombo's subsequent modernisation, which was bolstered by the construction of the southwestern and northeastern breakwater⁵ in 1875, followed by the expansion of the southwestern breakwater in 1912 to secure a safe anchorage area of 224.5 hectares.

After the country gained independence from British rule in 1948, institutional developments were carried out to boost the port sector. On 1 August 1979, the SLPA was constituted under the Sri Lanka Ports Authority Act, No 15 of 1979 (subsequently amended by Act No 7 of 1984 and Act No 35 of 1984).⁶ The SLPA was established to manage activities, especially pertaining to harbour capacity and the

³ "Sri Lanka's Maritime Past", 13 February 2018, *Daily News*, <https://www.dailynews.lk/2018/02/13/features/142632/sri-lanka%E2%80%99s-maritime-past>.

⁴ *Ibid.*

⁵ A breakwater is an artificial offshore structure that protects a harbour or anchorage from water waves. It helps in intercepting longshore currents and preventing beach erosion. See *Britannica*, "breakwater: marine engineering", <https://www.britannica.com/technology/breakwater>.

⁶ Sri Lanka Ports Authority, "History and Milestones", <https://www.slpa.lk/port-colombo/slpa#:~:text=The%20Port%20Tally%20and%20Protective,subsequently%20amended%20by%20Act%20No.>

promotion of containerised cargo volumes. The creation of the SLPA resulted in the merger of the Colombo Port Commission Department and the other two existing statutory corporations – the Port Tally and Protective Services Corporation. Since then, this state-owned enterprise has been the focal point of all port development-related activities in Sri Lanka.

Post-independence, apart from institutional developments, a series of upgrades was also introduced in the Sri Lankan port sector. Features such as gantries, cranes and a deepened access channel helped transform Colombo Port into a contemporary, internationally competitive container terminal.⁷ Between 1987 and 1997, the throughput of container traffic for the terminals at Colombo Port increased from less than 500,000 to over 1.5 million twenty-foot equivalent units (TEUs). However, this growth had slowed by the mid-1990s due to severe inefficiencies and outdated systems used by the country's port industry.⁸

Features such as gantries, cranes and a deepened access channel helped transform Colombo Port into a contemporary, internationally competitive container terminal.

The game changer for Sri Lanka in the shipping sector occurred in 1999 when the Sri Lankan government decided to allow public-private partnerships in the port sector. In this regard, the major upgrade to the port sector was through the expansion of Colombo Port with the construction of the South Asia Gateway Terminals (SAGT) at Queen Elizabeth Quay (QEQ), which housed multiple warehouses, transit sheds and berths. The SAGT partnership was established by the SLPA and several private companies through a Build Operate Transfer (BOT) concession to improve, expand, operate and manage the QEQ terminal. At its inception, the project aimed to increase the QEQ terminal capacity and improve port efficiency. The construction was completed in August 2003. In 2004, it was observed that the throughput of the QEQ increased by 350 per cent between 2000 and 2004, contributing to a 30 per cent overall increase in the throughput of Colombo Port.⁹

⁷ SAGT: Port of Colombo, "History", *South Asia Gateway Terminals*, <https://www.sagt.com.lk/port-of-colombo/history.html>.

⁸ Special Unit for South-South Cooperation, "Case Study: Port Expansion", United Nations Office for South-South Cooperation, November 2012, https://www.esc-pau.fr/ppp/documents/featured_projects/sri_lanka.pdf.

⁹ Ibid.

Within Sri Lanka, the tremendous growth of the port industry from the SAGT partnership was illustrative of the success of public-private partnerships, paving the way for many more such collaborations.

The decision to allow public-private partnerships had a profound impact on both the country's domestic port sector and port development in South Asia. Within Sri Lanka, the tremendous growth of the port industry from the SAGT partnership was illustrative of the success of public-private partnerships, paving the way for many more such collaborations. In the subsequent years, such partnerships have aided the country's port sector in increasing productivity and efficiency in attracting international shipping companies to bring their cargo and use the local Sri Lankan infrastructure. Beyond the Sri Lankan port industry, the SAGT partnership has also positively impacted South Asia. It has helped increase the competitiveness of port industries in other countries across the region.

Over the years, despite delays in implementing port-related projects, Sri Lanka has made significant strides in the sector. Some noteworthy developments include the Colombo Port Expansion Project in 2008, funded by the Asian Development Bank (ADB), which was expanded to develop the South, West and East terminals, and the Colombo International Container Terminal (CICT), which was built with Chinese investments, came into operation in 2013 under the Colombo South Harbour expansion project.

In the past decade, there has been tremendous growth in Sri Lankan port transshipment. The 2017-2018 period recorded the fastest growth, due to the rapid port capacity expansion. Notably, the Sri Lankan shipping industry has consistently displayed resilience. Despite the global economic slowdown due to the COVID-19 pandemic, Sri Lanka managed to maintain transshipment volumes in 2021, comparable to 2019.

The Colombo Port Expansion Project

The Colombo Port Expansion Project (CPEP) was initiated primarily to consolidate Colombo's position as a world-class transshipment hub. When the project was initiated, it had the following expected outcomes: i) reduce transport costs for exporters; ii) increase transshipment container volumes handled by Colombo Port; and iii) increase container-handling capacity of Colombo Port.¹⁰ It was designed to increase the port's container handling capacity from an annual average of 7.5 million TEUs to 12 million TEUs and increase the efficiency of the SLPA's existing container terminals.

The expansion-based activities under the CPEP included the construction of a breakwater using five million cubic metres of stone, dredging for an access road to the new port, reclamation of about 20 million cubic metre land, relocation of a 10-kilometre undersea oil pipeline and construction of various port-related facilities.¹¹

The CPEP is being executed across different phases. In the first phase, the SLPA created the south harbour, wherein a breakwater was constructed with a 35-year concession period provided to the China Merchant Port Holding (CMPH). Within the southern port, the CMPH built the CICT, which marked the second successful public-private partnership with the SLPA.

It was designed to increase the port's container handling capacity from an annual average of 7.5 million TEUs to 12 million TEUs and increase the efficiency of the SLPA's existing container terminals.

¹⁰ Asian Development Bank, "Sri Lanka: Colombo Port Expansion Project", Independent Evaluation Department, Asian Development Bank, December 2016, <https://www.adb.org/sites/default/files/evaluation-document/219336/files/pvr-467.pdf>.

¹¹ Hyundai Engineering and Construction, "Colombo Port Expansion Project", <https://www.hdec.kr/en/tech/project.aspx?bizIntro=238&bizCate=OCEAN&searchType=CIVIL>.

Chinese Investment in the Sri Lankan Port Industry

Ports constitute the second-largest sector of Chinese investments in the country, behind roads and expressways.

Chinese investments in the Sri Lankan port industry have undoubtedly played a pivotal role in the expansion and development of the sector. Ports constitute the second-largest sector of Chinese investments in the country, behind roads and expressways.¹²

One of the most significant Chinese investments has been in the CICT, in which a BOT agreement with the China Merchant Holdings Company brought investment worth US\$500 million (S\$700 million), representing the largest foreign direct investment (FDI) from China at the time. The project has allowed Colombo Port to grow rapidly; notably, the CICT terminal has helped Colombo Port move up the Drewry's Port Connectivity Index, ranked the 11th best-connected port in the world in 2018.¹³ The CICT was a remarkable turning point for the port industry not just in Sri Lanka but also South Asia, as it is the first and only deep-water terminal in the region capable of handling large vessels of up to a volume of 2.85 million TEUs.¹⁴ Another noteworthy aspect is that while earlier projects were considered to be more harmful, relatively recent projects such as the CICT (and Port City) have adapted to stricter environmental standards.¹⁵

Chinese investments in the country have constantly been scrutinised and debated. While Chinese infrastructural investments, especially in the port sector, have led to a new wave of development and increased the competitiveness of the Sri Lankan maritime industry, the concern over claims of Beijing's debt-trap diplomacy from commercial financing of the Belt and Road Initiative (BRI) projects has

¹² Ganeshan Wignaraja, Dinusha Panditaratne, Pabasara Kannangara, "Chinese Investment and the BRI in Sri Lanka", Chatham House, March 2020, <https://www.chathamhouse.org/sites/default/files/CHHJ8010-Sri-Lanka-RP-WEB-200324.pdf>

¹³ Ibid.

¹⁴ Colombo International Container Terminals, "Why Choose CICT? Deepwater Terminal of Choice", <https://www.cict.lk/>.

¹⁵ Ganeshan Wignaraja, Dinusha Panditaratne, Pabasara Kannangara, "Chinese Investment and the BRI in Sri Lanka", op. cit.

found both appeal and criticism worldwide. Such claims were most apparent in the case of the Hambantota Port, which was initiated in the early 2000s with three fixed interest rate loans from EXIM Bank China, amounting to US\$1.4 billion (S\$1.87 billion).¹⁶ The port was constructed by two Chinese state-owned enterprises – China Harbour Engineering and Sinohydro Corporation. While it was expected that the Hambantota transshipment port would emerge as the country's second-largest port after the Colombo Port, delays in the project and financial losses put a strain on Sri Lanka's public finances. Ultimately, it resulted in the handover of the port to China for a lease period of 99 years. Given the port's location at the southern tip of Sri Lanka overlooking the region's vital sea links, it increased international scrutiny and accusations. There have been concerns that China may use the port for military purposes.

Given the port's location at the southern tip of Sri Lanka overlooking the region's vital sea links, it increased international scrutiny and accusations.

In this sense, the interest in investment displayed by other countries such as India in Sri Lanka's port sector may also be viewed as an extension of their geopolitical competition and anxieties. In other words, Chinese investments have resulted in increased attraction and favourability for investment in Sri Lankan ports. However, importantly though, in the current climate of economic recovery from a long-term crisis, there is a growing view that the billions of dollars spent on Chinese-funded projects will likely to deepen Sri Lanka's woes.¹⁷

¹⁶ "Chinese firm pays \$584 million in Sri Lanka port debt-to-equity deal", *Reuters*, 3 February 2020, <https://www.reuters.com/article/ussri-lanka-china-ports/chinese-firm-pays-584-million-in-sri-lanka-port-debt-to-equity-deal-idUSKBN1JG2Z6>.

¹⁷ Anjana Pasricha, "Chinese-Funded Projects Deepen Sri Lanka's Economic Woes", *Voa News*, 23 December 2022, <https://www.voanews.com/a/chinese-funded-projects-deepen-sri-lanka-s-economic-woes-/6888652.html>

The East Container Terminal Controversy

The ECT is located at Colombo Port in Sri Lanka. The construction of the terminal, which is being conducted in three phases, is scheduled to be completed by the end of 2024. This terminal expects to provide the SLPA with a fully-fledged terminal equipped with 12 service truck cranes that can handle operations from ships to the land and 40 rail-mounted gantry (RMG) cranes.¹⁸

In 2011, Colombo Port was operating almost at its maximum capacity and further expansion was required.

Since its inception, the ECT has been a port project riddled with controversy. In 2011, Colombo Port was operating almost at its maximum capacity and further expansion was required. In this regard, the SLPA decided to develop a part of the ECT before involving a private operator in the project. It was to be constructed in two phases, with an increase in capacity of 0.8 million TEUs in 2015 and an additional 1.6 million TEU by 2018.¹⁹ A 1,200-metre long quay wall, 18m deep berthing and a 57-hectare container yard were proposed to be built with reclaimed sea sand. To address the potential issue of ship congestion, the project was expected to be completed by 2017.

However, the project did not go as per plan after the change in the Sri Lankan government in January 2015. At the time of the Mahinda Rajapaksa administration's departure, a 400-metre berth worth US\$80 million (S\$107 million) was constructed by the SLPA. However, since then till mid-2019, little progress was made in developing and running the ECT due to domestic political issues. The new government cancelled the cargo handling equipment order, citing corruption by the previous administration, and called for fresh tenders for cranes and gantry cranes to make the terminal operational.²⁰

¹⁸ Sri Lanka Ports Authority, "Project Development Progress: Pictorial Diary of ECT", <https://www.slpa.lk/ect-development/>

¹⁹ Asian Development Bank, "Sri Lanka: Colombo Port Expansion Project", July 2015, <https://www.adb.org/sites/default/files/project-documents/39431-013-pcr.pdf>

²⁰ "East Container Terminal blunder: Learn from Chinese", *Daily FT*, 18 September 2018, <https://www.ft.lk/columns/East-Container-Terminal-blunder--Learn-from-Chinese/4-662984>

In June 2016, expressions of interest and business proposals were called for a US\$400 million (S\$537 million) project to complete building the remaining part of the ECT. The ADB was appointed as the Transaction Adviser.²¹ However, the tender process was later cancelled and new conditions were introduced. In the meantime, there was growing opposition from the trade unions to the government's decision on the public-private partnership. In August 2017, President Maithripala Sirisena stated that the ECT would not be privatised and instead be fully run by the SLPA.²² In response, the ADB expressed its displeasure and announced the likelihood of pulling out of the ECT project, due to the delays in seeking an investor.²³ These developments resulted in a delay in the completion and operation of the terminal.

Against this backdrop, the government signed a tripartite agreement with India and Japan in May 2019 to jointly build and operate the ECT. However, the Sri Lankan government withdrew from this agreement, citing concerns over foreign involvement in its port sector. This marked the culmination of severe domestic opposition against foreign investment in the country's ports. Local trade unions stressed that the ECT must remain 100 per cent owned by the SLPA, failing which the country would lose out on a lucrative deal on the terminal.²⁴ In one instance, Sri Lankan cabinet spokesperson, Udaya Gammanpila, stated that "nationalist forces" within the country viewed the ECT as a strategically important terminal and, hence, observed a conflict of interest if it were to be developed by a foreign entity.²⁵

This marked the culmination of severe domestic opposition against foreign investment in the country's ports.

The project was intended to be a key marker for infrastructural development in the country where Chinese investments are most

²¹ Asian Development Bank, "ADB to Help Sri Lanka Expand Colombo Port Operations Using PPP", 23 February 2016, <https://www.adb.org/news/adb-help-sri-lanka-expand-colombo-port-operations-using-ppp>

²² "President Sirisena says no to PPP for Colombo Port's East Terminal; move apparently snubs Indian int", *Daily FT*, 2 August 2017, <https://www.ft.lk/article/632945/President-Sirisena-says-no-to-PPP-for-Colombo-Port-s-East-Terminal--move-apparently-snubs-Indian-interests>

²³ Sunimalee Dias, "ADB likely to pull out of Colombo Port East terminal project", *Business Times*, 27 August 2017, <https://www.sundaytimes.lk/170827/business-times/adb-likely-to-pull-out-of-colombo-port-east-terminal-project-255943.html>

²⁴ Press Trust of India, "Chinese firm gets contract to develop Colombo Port's controversial eastern container terminal", *The Indian Express*, 24 November 2021, <https://indianexpress.com/article/world/chinese-firm-contract-to-develop-colombo-port-terminal-7639883/>

²⁵ Meera Srinivasan, "Explained | From East to West: Colombo's 'compromise' with New Delhi in Port project", *The Hindu*, 10 March 2021, <https://www.thehindu.com/news/international/from-east-to-west-colombos-compromise-with-new-delhi-in-port-project/article34031375.ece>

prominent. In this regard, the ejection of India and Japan from the deal came with much disappointment from New Delhi and Tokyo. However, shortly after the withdrawal, the Sri Lankan government announced that the Indian company, Adani Ports, would be one of the stakeholders in the development of the CWICT.

Once again, this drew speculations on the real motivation behind the initial withdrawal from the joint agreement with India and Japan.

Meanwhile, the construction of the ECT was taken on by Access Engineering PLC and China Harbour Engineering Company, and the second phase of the construction of the terminal began in January 2022.²⁶ Once again, this drew speculations on the real motivation behind the initial withdrawal from the joint agreement with India and Japan.

Later, in early December 2022, President Ranil Wickremesinghe offered the development of the ECT to Japan amid efforts to ameliorate the country's financial crisis through an International Monetary Fund bailout. As of January 2023, the SLPA had already developed 575 metres of the quay wall, adjacent yard area and connected facilities at the ECT. Despite the economic crisis in the country, the ECT revenue rose to approximately US\$3.3 million (S\$4.4 million) in 2022 from about US\$2 million (S\$2.6 million) in the previous year.²⁷ At the time of preparing this report, Sri Lanka was still waiting for a response from the Japanese government over its involvement in the ECT.

²⁶ "Second phase constructions of Eastern Container Terminal at Colombo Port commenced", The Presidential Secretariat, 12 January 2022, <https://www.presidentsoffice.gov.lk/index.php/2022/01/12/second-phase-constructions-of-eastern-container-terminal-at-colombo-port-commenced/>

²⁷ "Sri Lanka's ECT revenue rises as government awaiting for Japan offer response", *Economy Next*, 2 January 2023, <https://economynext.com/sri-lankas-ect-revenue-rises-as-government-awaiting-for-japan-offer-response-108048/>.

The West Container Terminal and Indian Investment

This development prompted the need for a larger deep water capacity inside Colombo Port and, in this regard, the Sri Lankan cabinet approved a BOT plan. Subsequently, Minister of Ports and Shipping, Rohitha Abeygunawardena, issued a letter of intent on behalf of the Sri Lankan government to the consortium to develop the CWICT as a public-private partnership. Finally, in May 2021, the consortium accepted the letter of intent and signed a 35-year-long BOT agreement on 30 September 2021 to begin the development of the West terminal by January 2022.

Table 1: Project Timeline and Milestones of the CWICT

Key Milestones	Targetted Dates
Signing of the BOT agreement	30 September 2021
Commencement of the construction	On or before January 2022
Completion of the construction of 600 metres of the quay (Phase 1)	On or before January 2024
Completion of the construction of the full length of the quay of 1,400 metres and the yard (Phase 2)	On or before January 2026

Source: John Keells Holdings records

The investment in the CWICT project is estimated to be around US\$650 million to US\$700 million (S\$900 million to S\$975 million), wherein 75-85 per cent of the investment is slated in the form of FDI. The composition of the CWICT project consortium involves the following parties – the Adani Group, John Keells Holdings and SLPA – with 51 per cent, 34 per cent and 15 per cent stakes in the project respectively. The composition of the CWICT consortium is reflective of the general pattern of public-private partnership projects in Colombo Port.

The composition of the CWICT consortium is reflective of the general pattern of public-private partnership projects in Colombo Port.

The Adani Group is among the largest port operators in India with a successful growth story. While it comprised only one operational

Apart from the port industry, the Adani Group also operates logistics parks and train networks within India.

port in 2006, the Adani Group presently operates 14 ports on the east and west coasts of India. The capacity managed by these ports have also witnessed a substantial increase, with a growth from 10 million metric tonnes in 2016 to almost 500 metric tonnes in 2021. Apart from the port industry, the Adani Group also operates logistics parks and train networks within India.

John Keells Holdings in Sri Lanka is a large conglomerate involved in multiple businesses, including transport, consumer foods and hospitality. Under the transport business vertical, John Keells Holdings has been involved with port development in Sri Lanka. John Keells Holdings has also been a partner of the SAGT for the last 20 years.

Figure 1: Satellite image of the Colombo Port development projects



Source: Satellite image from John Keells Holdings records

When the project is completed, the CWICT will have 1,400 metres of effective quay length and a backyard area of about 65 hectares. With a depth of 20 metres, the terminal will allow the entry of large container vessels. It will comprise 14 semi-automated quay cranes and 30 cantilevers automated RMG cranes for yard operations. The terminal's capacity would be about 3.2 million TEUs to 3.4 million TEUs, which is comparable to the ECT that the SLPA will build. While

the completion of construction of the first phase of the project will take about 20 months to 24 months since it began, the entire port construction is planned to be completed by 2026.

The CWICT is set to bring a high level of automation that will provide significant efficiency and productivity in the terminal. The terminal will enable state-of-the-art technology transfer in Colombo Port for automation, including the incorporation of Optical Character Recognition technology. It is important to note that a high degree of automation in the port will also aid in meeting the project's target of having a 40 per cent female workforce (currently at less than three per cent) at the terminal. Through an augmentation of Sri Lanka's export competitiveness, the CWICT is expected to facilitate greater connectivity and attract more international trade to Colombo's port terminals.

The CWICT is set to bring a high level of automation that will provide significant efficiency and productivity in the terminal.

Indian Investment in Sri Lankan Ports: Economic Prospects

Over the years, every increment in the capacity brought to the Colombo Port has seen a corresponding growth in the country's shipping industry.

Sri Lanka has emerged as one of the most important shipping hubs in the world since the transformation of the Colombo terminal through public-private partnerships in the 1990s. Over the years, every increment in the capacity brought to Colombo Port has seen a corresponding growth in the country's shipping industry.

The design of the global shipping industry and Sri Lanka's position within it gives the country immense potential for economic growth and development. The global shipping industry consists of about 5,600 merchant ships carrying containers. Out of these, mega-ships constitute about 15-20 per cent of the total. However, due to various considerations, these ships do not find it feasible to visit most ports. In this aspect, Sri Lanka has a competitive advantage. It is ideally located due to the several shipping trade routes passing through it as it allows for mega-ships to be brought from transshipment and conduct relay operations involving mother ship to mother ship transfers on major trading routes. Given this, the CWICT will benefit the Sri Lankan shipping industry by allowing more mega-ships to enter Sri Lankan ports and attract new alliances.

On a regional level, there are concerns about the Indian shipping industry curtailing the growth prospects of the Sri Lankan shipping industry. This is probably unfounded as the immense potential for growth in the South Asian shipping industry promises to provide enough room for existing and newly emerging players. The current levels of container throughput in South Asia is at around 30 million TEUs per annum. In comparison, the container throughput levels in East Asia average around 350 million TEUs per annum. Thus, the large deficit in the South Asian volume provides enough room for competition between the different players as well as a scope for developing the shipping industry in the subcontinent without adversely impacting the competitors' prospects for growth. Evidence

for such healthy competition has been visible in the shipping industries in China and Hong Kong. When China began developing its major shipping ports and generating high transshipment volumes, business communities in the region predicted it would displace Hong Kong's position. However, Hong Kong remains among the top 10 ports in the world in terms of throughput. Thus, given the historical precedence and overall scope for development of the shipping industry in the subcontinent, Indian involvement in the CWICT project promises to promote competition and innovation in the South Asian shipping industry rather than adversely impacting it.

With the entry of the Adani Group, which controls one-third of India's throughput, there is immense scope for growth in the Sri Lankan shipping industry and for it to emerge as a regional transshipment hub. With India expected to rise from a US\$3 trillion (S\$4 trillion) economy in 2021 to a US\$8.5 trillion (S\$11 trillion) economy by 2030, and a rising middle class, Sri Lanka's leveraging on its neighbour's economic boom will serve it favourably. Over 45 per cent of Colombo's transshipment volumes originate from or are destined for an Adani port and the Special Economic Zone (APSEZ) terminal in India.²⁸ Hence, the CWICT can potentially gain additional business for Colombo Port through the captive volumes and a comprehensive partnership with the APSEZ. In the coming years, there is likely to be more synergistic cooperation between the APSEZ terminals in the Bay of Bengal and the CWICT to ensure steady cargo flow. Notably, the CWICT project focuses greatly on the transshipment aspect, an important component of the integration of regional supply chains. At a time when the COVID-19 pandemic has dramatically disrupted global supply chains and Sri Lanka continues to suffer from an unprecedented economic crisis, efforts to capitalise on Sri Lanka's geographical advantage and ease of connectivity for transshipment will benefit the country immensely. Apart from this, steps are also being taken to ensure backward integration from the

Over 45 per cent of Colombo's transshipment volumes originate from or are destined for an Adani port and the Special Economic Zone (APSEZ) terminal in India.

²⁸ Press Trust of India, "India's Adani Group seals deal to develop Western Container Terminal at Colombo Port", *The Economic Times*, 30 September 2021, https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/indias-adani-group-seals-deal-to-develop-western-container-terminal-at-colombo-port/articleshow/86655585.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst.

CWICT project into the logistics sector, which will help further expand container volumes across the country's ports. This was amplified by Wickremesinghe who stated in late December 2022 that the country can easily be transformed into a major logistics centre.²⁹

Developments related to other ports in Sri Lanka are also significant for the growth of the shipping industry and the overall economic development of the country. An important existing port is the Hambantota Port, a relatively deep draft port in the southern part of Sri Lanka, which is scheduled to go into containerisation by the end of 2023. This move will further create competition for transshipment within Sri Lanka, benefitting the shipping industry by giving exporters a choice and helping improve productivity levels across the different shipping lines.

The port industry is uniquely positioned to rise to the environmental challenge and lead the transition to a blue economy pioneered by sustainable energy, shipping and aquaculture solutions.

Investments in the port sector also tie in with Sri Lanka's blue economy objectives. As stated by the United Nations Educational, Scientific and Cultural Organization, the blue economy concept seeks to promote economic growth, social inclusion, and the preservation or improvement of livelihoods while also ensuring the environmental sustainability of the oceans and coastal areas.³⁰ The port industry is uniquely positioned to rise to the environmental challenge and lead the transition to a blue economy pioneered by sustainable energy, shipping and aquaculture solutions.³¹ The sector can also collaborate with other aspects of the marine industry to create long-term sustainable solutions. In Sri Lanka's case, the country's ports are at the heart of its geographical, economic and historical specificities. Given the importance of the port sector to the nation's development, it can enhance the country's blue economy goals, as outlined in 'Vistas of Splendour and Prosperity',³² a multi-sectoral National Policy Framework of the government released in 2021. In October 2022,

²⁹ Ishara Gamage, "Sri Lanka offers ECT to Japan – President", *Ceylon Today*, 7 December 2022, <https://ceylontoday.lk/2022/12/07/sri-lanka-offers-ect-to-japan-president/>.

³⁰ "Blue Economy", Intergovernmental Oceanographic Commission – UNESCO, <https://ioc.unesco.org/topics/blue-economy>.

³¹ Leonard, "Ports: hubs of the new blue economy", 3 October 2022, <https://leonard.vinci.com/en/report-ports-hubs-of-the-new-blue-economy-3-october-2022/>.

³² "Vistas of Prosperity and Splendour", Ministry of Finance, Economic Stabilization & National Policies, <https://www.treasury.gov.lk/national-policy>.

it was reported that Colombo Port City was lining up US\$4 billion (\$\$5.3 billion) in investment in the short run to generate secondary investments from multiple sources. Under this initiative, the Sri Lankan Ministry of Investment Promotion stated that the government plans to launch the blue economy concept through “port city activities, sustainably using ocean resources to drive economic growth, improve livelihoods, and increase job opportunities, while preserving the health of the ocean ecosystem.”³³

With respect to the CWICT project itself, the Adani Group’s investments in the port sector will not only be beneficial to Sri Lanka but will also significantly benefit India. At a time when the Indian economy is projected to become the second largest Asian economy and third largest economy globally by 2030,³⁴ foreign investments such as the Indian participation in the CWICT project are in the interests of the Indian industry and business community. Additionally, the project ties in with India’s Sagarmala project,³⁵ an initiative that can bring an economic boom in the port and shipping sector across the South Asian region.

With respect to the CWICT project itself, the Adani Group’s investments in the port sector will not only be beneficial to Sri Lanka but will also significantly benefit India.

³³ Bandula Sirimanna, “Port City facilitates government’s “blue economy” initiative”, *Business Times*, 23 October 2022, <https://www.sundaytimes.lk/221023/business-times/port-city-facilitates-governments-blue-economy-initiative-499429.html>.

³⁴ Press Trust of India, “India to surpass Japan as Asia’s 2nd largest economy by 2030”, *The Hindu*, <https://www.thehindu.com/business/India-to-surpass-japan-as-asias-2nd-largest-economy-by-2030/article38195975.ece>.

³⁵ The Sagarmala project is the flagship programme of the Indian Ministry of Shipping to promote port-led development in the country through the harnessing of India’s 7,500 kilometre-long coastline, 14,500 kilometres of potentially navigable waterways and the country’s strategic location on key international maritime trade routes. The main vision of the Sagarmala Programme is to reduce logistics cost for exports and imports, and domestic trade with minimal infrastructure investment. See Press Informational Bureau, “Sagarmala Programme”, Ministry of Shipping, Government of India, 12 March 2020, <https://pib.gov.in/newsite/PrintRelease.aspx?relid=200158>.

Indian Investment in Sri Lankan Ports: Domestic Political Considerations

A country's domestic politics has a considerable effect on its overall political goals, including its international engagement. In a corresponding vein, the country's international deals often have domestic implications. Over the past year, Sri Lanka has been embroiled in a deep domestic political crisis, with the ouster of Prime Minister Mahinda Rajapaksa when a deteriorating economic crisis grew into a national political movement.

The opposition from local trade unions to the development of the ECT by India and Japan is also evidence of the power that domestic groups have on the inflow of foreign capital into the country.

Given the centrality of the port industry to the country's central development goals, it is unsurprising that various public and business stakeholders shape Colombo's foreign engagements in the sector. It is important to note that on different occasions in the past, the Sri Lankan domestic population, including representatives from the various opposition parties, trade unions and civil society organisations, have expressed negative reactions to developments in the country's port industry. This was evident in the apprehensions of fishing, environmental as well as religious groups to the development of Colombo Port City³⁶ (later referred to as the International Financial City) through Chinese investments amounting to US\$1.4 billion (S\$1.95 billion). The opposition from local trade unions to the development of the ECT by India and Japan is also evidence of the power that domestic groups have on the inflow of foreign capital into the country.

In several instances over the years, including public demonstrations against the development of the ECT in Sri Lanka, it has become evident

³⁶ Colombo Port City is not directly a part of the Colombo Port development. It is a real estate investment, constructed between the southern edge of the new Colombo South Port and the Fort Lighthouse. While Sri Lanka has Chinese investments in several infrastructure projects across the country, it is only the Colombo Port City project which has been officially declared under the BRI umbrella. Given its proximity to Colombo South Port, the port city development has remained a politically charged issue ever since its first announcement in 2011. See Anirban Bhaumik, "DH Deciphers: The controversy over the Colombo Port City Project", *Deccan Herald*, 4 June 2021, <https://www.deccanherald.com/international/dh-deciphers-the-controversy-over-the-colombo-port-city-project-993551.html>.

that the Sri Lankan government has had to consider the domestic perceptions and resistance toward foreign investment projects and reorient its policy position to comply with the sentiments of the local populace. This points to a larger trend among the smaller states, especially in South Asia, where foreign policy is highly influenced by domestic politics and cannot be practised independently.

With respect to the CWICT, progress on terminal construction activities has remained a fairly less controversial issue.³⁷ The only exception to this was in June 2022 when Sri Lankan protestors took to the streets in Colombo after a controversy erupted over a renewable energy project that was handed to the Adani Group. Since the Adani Group is keen to diversify its infrastructure investments in Sri Lanka beyond the port sector, it is likely that protests against one such project may have spill-over effects on other projects undertaken by the group. However, ever since the construction of the port began in late 2022, there have not been any significant interruptions.

This points to a larger trend among the smaller states, especially in South Asia, where foreign policy is highly influenced by domestic politics and cannot be practised independently.

³⁷ For more information on the protests, see Tamil Guardian, "A closer look at the Adani deal in Sri Lanka", *Tamil Guardian*, <https://www.tamilguardian.com/content/closer-look-adani-deal-sri-lanka>.

Indian Investment in Sri Lankan Ports: Foreign Policy Implications

Ports, politics and policies are inextricably related. Geopolitics considerably affects maritime trade, while foreign investments in the maritime sector also affect relations between countries. Given this, it is undeniable that developments related to port infrastructural activities funded by international investments in Sri Lanka are guided by foreign policy considerations and, in turn, will have a spill-over effect on South Asian geopolitics.

Sri Lankan Imperatives

At a time when major traditional Western donor countries distanced themselves from Sri Lanka due to human rights violations during the government's fight against the Liberation Tigers of Tamil Eelam, China was one of the few countries willing to invest in Sri Lanka.

Sri Lanka has consistently been open to FDI in the port sector, especially in Colombo Port. This policy position has been guided by several economic development and strategic reasons. In a bid to rebuild the country in the aftermath of the decades-long civil war, Sri Lanka has, over the years, sought to take advantage of its rich natural resource base, a growing and literate workforce, and its strategic geographical location to attract foreign investment across sectors like tourism, logistics, high-value food processing, apparel, technology-enabled services and infrastructure development.³⁸ Sri Lanka was also one of the first countries to extend support to China's BRI. Thereafter, under the BRI banner, Colombo initiated multiple infrastructure projects aiming to accelerate economic development. At a time when major traditional Western donor countries distanced themselves from Sri Lanka due to human rights violations during the government's fight against the Liberation Tigers of Tamil Eelam, China was one of the few countries willing to invest in Sri Lanka. In this vein, Sri Lanka's participation in the BRI may be viewed as a continuation of close ties between the two countries from the early 2000s.

³⁸ Tatiana Nenova, "Five reasons why Sri Lanka needs to attract foreign direct investments", World Bank, 30 May 2018, <https://blogs.worldbank.org/endpovertyinsouthasia/five-reasons-why-sri-lanka-needs-attract-foreign-direct-investments>.

Apart from foreign policy considerations, as explained in the previous section, domestic political compulsions have also influenced decisions pertaining to foreign investment in Sri Lanka. The suspension of projects with partner countries, however, has tested Sri Lanka's bilateral relations with them. In the case of the development of Colombo Port City, when various groups protested due to concerns over destruction to the environment, displacement of populations and impact on the livelihood of local communities, the government was forced to halt the project temporarily. This led to a strain on Colombo's ties with Beijing. Overall, the country has had to navigate tough waters in bringing investment into the country for economic development and managing ties with partner countries while also pacifying the citizenry.

Indian Interests

Unlike the previously proposed ECT project, which would involve the participation of foreign governments, only one foreign private player – India's Adani Group – is a party to the CWICT project. While the Indian government has clarified that there is no official involvement in the project, it is perceived that there is a tacit understanding between the Indian government and the Adani Group. In this sense, the project is not a significant compromise to the previously proposed ECT project since it can be viewed as mutually beneficial to both Sri Lanka and India; Colombo is able to pacify the local population over concerns of foreign interference while, at the same time, also diversifying foreign investments in its port sector. On its part, New Delhi is able to increase its footprint in the subcontinent through port investments in the strategically located island state.

On its part, New Delhi is able to increase its footprint in the subcontinent through port investments in the strategically located island state.

India has concerns regarding the growing Chinese presence in the Indian Ocean region, especially within the South Asian subcontinent. The Chinese BRI and Maritime Silk Road project³⁹ have sparked fears in India over Chinese encirclement in its neighbourhood. In

³⁹ The BRI envisions a network of roads ('belt') that connects China and Eurasia by land, and a Maritime Silk Road that comprises a network of ports connecting Southeast Asia, South Asia, Africa, the Middle East and Europe.

recent years, there have been several ups and downs in the bilateral relations between the two countries, with several border skirmishes and economic disputes. Apart from this, India's participation in the Quadrilateral Security Dialogue (Quad)⁴⁰ has also caused tensions with China since Beijing views the Quad as a strategic grouping to deter its rise.

In this vein, Sri Lanka has been trying to capitalise on the ongoing India-China competition by weighing its geopolitical compulsions and inviting investments from both Beijing and New Delhi.

With an intensification of strategic competition in the Indian Ocean region, it has become unsurprising that small yet strategically located countries (like Sri Lanka) get embroiled in regional and great power rivalries. In this vein, Sri Lanka has been trying to capitalise on the ongoing India-China competition by weighing its geopolitical compulsions and inviting investments from both Beijing and New Delhi. Importantly, diversifying investments in its ports and shipping industry from both the Asian giants allows Sri Lanka to maintain neutrality and effectively balance against them. Importantly, this is in line with Sri Lanka's larger goal of maintaining a neutral foreign policy. Meanwhile, India has had to re-evaluate its geopolitical reality of a growing China and forego any bitterness it may have had due to the failure of the ECT project and focus on building and diversifying its investment portfolio in Colombo.

The Chinese Perspective

The conventional perceptions of China's growing presence in South Asia through foreign investments in Sri Lanka has been of viewing Beijing as a challenge to New Delhi's regional dominance. While the rise in Indo-Chinese rivalry in the subcontinent through military, economic and diplomatic means gives New Delhi sufficient cause for concern, the Chinese perspective on its engagements with the region is seemingly based on a different rationale.

⁴⁰ The Quad is an informal strategic forum comprising four nations – the United States, India, Australia and Japan. The primary declared objectives of the Quad is to work for a free, open, prosperous and inclusive Indo-Pacific region. See *Business Standard*, "What is QUAD", <https://www.business-standard.com/about/what-is-quad>.

According to Beijing, the first factor guiding China's engagements with the subcontinent can be attributed to its geographical proximity. China is situated in the immediate neighbourhood of South Asia; it shares borders with five of the eight members of the South Asian Association for Regional Cooperation – Afghanistan, Bhutan, India, Nepal and Pakistan. Given this proximity, it is unsurprising that Beijing actively engages with the subcontinent through a wide range of economic, military and cultural interactions. Beijing also has a commonly shared historical heritage with South Asia through engagements carried out along the ancient Silk Road.

Beijing also has a commonly shared historical heritage with South Asia through engagements carried out along the ancient Silk Road.

Secondly, China views its engagements with the subcontinent as an extension of the strategies of 'Go Global' and 'Western Development'. Initiated in the early 2000s, the 'Go Global' strategy seeks to encourage Chinese companies to invest and do business overseas while the 'Western Development' strategy aims at balancing growth between the western and eastern parts of China. Beijing also views the BRI as an extension of these two strategies that are largely focused on economic development.

Another factor that encouraged the deepening of relations between Beijing and Colombo are events within Sri Lanka that provided the necessary conditions for more Chinese engagements in infrastructure and development. During the rehabilitation period after the 2004 Indian Ocean tsunami and the end of the Sri Lankan civil war in 2009, few countries were as interested as China to invest significantly in the island state. As mentioned in a previous section, India declined Sri Lanka's request to develop the Hambantota Port. At this time, Beijing stepped in and provided the necessary capital to rebuild Sri Lankan infrastructure.

Additionally, China's interests and actions in South Asia are guided by its security concerns. Beijing is highly dependent on the Indian Ocean waters for energy and trade, where around 60-80 per cent of the country's imported energy and around 50 per cent of its foreign trade is routed through the Malacca Straits in Southeast Asia. Thus, India's large regional presence as the primary provider of security and

resources in the subcontinent has also prompted China to secure its presence through a variety of engagements with the other smaller countries in South Asia.

Several countries across South Asia, including Sri Lanka, have a host of projects under the BRI.

However, in the past decade, there have been concerns over China's ability to continue financing its various projects under the BRI. There have been economic disruptions, including stoppages in economic production within China due to the COVID-19 pandemic, contraction in external trade and the emergence of a new dual circulation strategy aimed at realigning the country's connections with the rest of the world by locating a significant proportion of supply chains within the country itself. Several countries across South Asia, including Sri Lanka, have a host of projects under the BRI. In this vein, the shadow cast on China's perceived inability allows other bigger powers in the region such as India to find new avenues to increase their footprint in Sri Lanka.

Overall, the intensifying great power competition in the subcontinent, especially with the South Asian countries being roped into the US' Indo-Pacific strategy with India as its major strategic partner, has complicated the strategic landscape in the region. However, events across the countries in the Indo-Pacific, especially in smaller island countries, have shown the waxing and waning of the influence of larger countries in the region such as China, India and the US. Thus, the continuance of strategic competition is unlikely to dramatically alter the power status quo.

The Way Forward

Sri Lanka must prioritise its national interests against the ongoing crisis that has stemmed from economic mismanagement and political and governance failure. The development of the ports will transform the country into a regional hub for transshipment. Importantly, the significant deficit in the volumes of container throughput in South Asia also allows Sri Lanka to capitalise on the existing gap and emerge as the primary shipping hub in the region.

From a foreign policy perspective, Sri Lanka's focus on pursuing a neutral foreign policy will favour the country. The interest in Sri Lankan ports is likely to increase further on account of its strategic location and intensification of the geopolitical competition in the Indo-Pacific region. In this respect, the diversification of foreign players in its port industry is important to effectively balance against the bigger regional and global powers. With the signing of agreements with China and India on the development of separate terminals of Colombo Port, Sri Lanka is well positioned to reap geopolitical gains. In the coming years, it must engage and secure deals with other partner countries as well.

Overall, Colombo unquestionably stands to make significant gains from port infrastructure development through foreign investment. The sector will not only serve as a means to aid Sri Lanka's economic recovery but also help the country to emerge as an important player in the global industry.

The interest in Sri Lankan ports is likely to increase further on account of its strategic location and intensification of the geopolitical competition in the Indo-Pacific region.

Appendix

About the Authors

Ms Ramita Iyer is a Research Analyst at the Institute of South Asian Studies (ISAS) in the National University of Singapore (NUS). She graduated with a Master's degree in International Affairs from the Lee Kuan Yew School of Public Policy in NUS and holds a Bachelor of Arts (Honours) in Political Science from Delhi University, India.

Ms Iyer's research focus includes geopolitical and geo-economics developments in South Asia and the broader Indo-Pacific region. In addition to conducting research at ISAS, she oversees and manages the ISAS weekly podcast – South Asia Chat – which offers a quick analytical take on contemporary political and economic developments in the region.

Ms Iyer has been associated with several national level and international organisations, including the India Health Action Trust and the International Council of Jurists. She has worked on issues relating to education, skills development and trade issues, among others, with a public policy consulting firm based in Delhi. She has presented at various conferences, notably the Global Public Policy Network Conference in the London School of Economics, United Kingdom, and the STI-HIV 2019 Conference in Vancouver, Canada.

Ms Iyer has co-designed and co-taught a skills workshop on value-focused negotiations aimed at Singapore-based diplomats as well as conducted knowledge-sharing interactive sessions for students at Delhi University.

Dr Chulanee Attanayake is a Research Fellow at the Institute of South Asian Studies (ISAS) in the National University of Singapore. Her research focus is on China and its policies in South Asia. She is one of the few Sri Lankans focusing on this research area. Dr Attanayake's book, *China in Sri Lanka*, a comprehensive analysis of Sino-Sri Lankan bilateral relations, was published in 2013.

Prior to joining ISAS, Dr Attanayake served as the Director (Research) of the Institute of National Security Studies, Sri Lanka – the national security think tank under Sri Lanka's Ministry of Defence. She was a visiting lecturer at the Bandaranaike Centre for International Studies on Politics in South Asia and Politics in the Indian Ocean and the Royal Institute of Colombo. She worked as a Research Associate at the Lakshman Kadirgamar Institute for International Relations and Strategic Studies – a think tank under the Ministry of External Affairs. She has also served as an international expert on an international study group on the Green Belt and Road,

a project by the United Nations Environment Programme and the Ministry of Environmental Protection in China.

Dr Attanayake obtained her PhD from the Central China Normal University in Wuhan, China. She has a Bachelor of Arts from the University of Peradeniya, Sri Lanka, and a Master's degree in regional development and planning from the University of Colombo, Sri Lanka.

INSTITUTE OF SOUTH ASIAN STUDIES

National University of Singapore
29 Heng Mui Keng Terrace
#08-06 (Block B)
Singapore 119620

Tel (65) 6516 4239
Fax (65) 6776 7505
URL www.isas.nus.edu.sg

PATHFINDER FOUNDATION

Riverpoint
339/6, Negombo Road
Peliyagoda
Sri Lanka 11830

Tel (94) 114 529 953
URL www.pathfinderfoundation.org