

Joint Press Statement

- 1. H.E. Mr. K. Natwar Singh, Minister of External Affairs of India paid an official visit to Sri Lanka from 9th – 11th June 2005 at the invitation of Hon. Lakshman Kadirgamar, Minister of Foreign Affairs of Sri Lanka. H.E. Mr K.Natwar Singh called on H.E. the President, Hon. Prime Minister, and met with the Leader of the Opposition.**
- 2. The Minister of External Affairs of India and the Minister of Foreign Affairs of Sri Lanka co-chaired the 6th Session of the Sri Lanka - India Joint Commission held on 10th June 2005 at the Ministry of Foreign Affairs in Colombo. Delegations consisting of senior officials and representatives of line agencies from the two countries also attended the Joint Commission Meeting.**
- 3. The Joint Commission reviewed the full range of bilateral relations in the context of growing cooperation between the two countries. The two Ministers reaffirmed the importance of the Joint Commission and agreed on the need for it to meet regularly to address bilateral issues and to discuss ways and means to further intensify bilateral ties.**
- 4. The successful outcome of the recent meeting between the President of Sri Lanka and the Prime Minister of India bears testimony to the excellent state of bilateral relations between the two countries. It was noted that the two economies are moving towards closer integration under the Indo –Sri Lanka Free Trade Agreement (ISLFTA) and the Comprehensive Economic Partnership Agreement [CEPA] process on which negotiations are in progress. In view of the enormous potential for intensified economic and**

business activities, both sides reiterated the desirability of concluding negotiations by the end of 2005 as directed by the leaders of the two countries. To that end, the negotiators were asked to expedite the remaining work.

- 5. The Joint Commission noted the contribution the ISLFTA has made in enhancing bilateral economic and business activity now represented by a two-way trade volume of US\$ 1.8 billion. Both sides also agreed to continue the process of addressing outstanding implementation issues with a view to realizing the full potential of the ISLFTA which would help expedite the CEPA process.**
- 6. Both sides welcomed the establishment of a Joint Working Group (JWG) on Fisheries, which held its first meeting in April 2005. It was agreed that the JWG should continue to meet to examine and make recommendations to further the cooperation in the fisheries sector. They reiterated their appreciation for the humane treatment of straying fisherman and agreed that the JWG should continue this dialogue and pursue mutually acceptable solutions.**
- 7. The Ministers agreed that closer people-to-people contact would contribute positively to strengthening the friendship between the two countries, while providing avenues for widening economic cooperation. The vast potential for collective development in the area of tourism and civil aviation was noted by the Commission. The need for greater cooperation in joint promotional activities such as luxury cruise packages was emphasised in order to attract tourists to our region. It was noted with satisfaction that air links had grown substantially and that over 100 flights operated between Sri Lanka and India every week. It was emphasised that frequency of air travel between the two countries could be further**

- increased by additional liberalisation of the aviation sector, particularly with regard to flights to major Indian cities.
8. **The utilisation of credit line worth US\$ 381 million to Sri Lanka was discussed. It was agreed to use the balance available from the credit facility given for the import of wheat, to import of passenger buses from India. Shipments under the petroleum line of credit have commenced. The terminal dates for the US\$ 100 million line of credit have been extended.**
 9. **Project investments in the power, energy and transport sectors were discussed. It was noted that the National Thermal Power Corporation would submit a detailed proposal for setting up a Coal/LNG power plant in Sri Lanka. It was agreed to explore the further development of the oil storage complex in Trincomalee into an expanded facility catering to the region.**
 10. **It was also agreed that a block will be allocated to India for oil/gas exploration at a mutually agreed location.**
 11. **Sri Lanka expressed its appreciation to India for the offer of a Cancer Centre. Both sides agreed that the project should commence as early as possible. The land requirements and the location should be finalised without further delay in order for the project to commence. Sri Lanka also expressed its appreciation for India's offer to upgrade the Hatton-Dickoya Hospital as well as the hospitals in Hambantota, Jaffna, Trincomalee and Point Pedro.**
 12. **Both sides noted the visit by Indian officials in connection with the restoration of Thiruketheeswaran Kovil in Mannar and assistance to the Mulkirigala Raja Maha Viharaya.**

13. **The Indian side announced that it would give a grant of Sri Lankan Rupees Ten million to finance a pilot project of establishing 20 e-libraries or 'nenasalas'. The Indian side also announced that it would assist in setting up science laboratories and libraries in 30 schools in the Central Province.**
14. **Both sides urged the need for close cooperation in the field of science & technology between the two countries. Sri Lanka will submit a draft of a Memorandum of Understanding for consideration by India.**
15. **The Commission noted with appreciation the ongoing consultations and cooperation with regard to the delimitation of the Continental Shelf margin for submission to the United Nations Commission on the Continental Shelf. It was agreed that this technical level cooperation and consultation should continue for the mutual benefit of both countries.**
16. **Sri Lanka thanked India for the offer made to Sri Lankan scientists to join Indian scientists in carrying out research in the Antarctic under the Indian Antarctic Research Programme and will nominate a Sri Lankan team for the next expedition**
17. **Both sides welcomed the on-going close cooperation between the two countries in the areas of defence and security. In this connection, Sri Lanka thanked India for the offer of training for police personnel in India and other facilities extended. They also noted that regular exchange of visits by senior defence and security officials have contributed to enhanced cooperation.**
18. **The exchange of views between the Sri Lankan and Indian experts should continue with regard to the Sethusamudram Canal Project,**

as agreed during the meeting between the Indian Prime Minister and the Sri Lankan President in June 2005. Accordingly, the next meeting of experts to be held at an early date, preferably in July, will focus on environmental concerns with a view to reaching a common understanding for addressing them. The two sides further agreed to explore avenues for closer economic cooperation between the two countries in the Palk Bay area.

19. The External Affairs Minister of India thanked his counterpart the Sri Lankan Foreign Minister for facilitating the 6th Session of the Sri Lanka-India Joint Commission. The Sri Lankan Foreign Minister expressed his appreciation to the Indian External Affairs Minister and his delegation for the cooperation extended in reaching a successful conclusion of the Joint Commission and for undertaking a visit to Sri Lanka.
20. It was agreed that the 7th Session of the Sri Lanka-India Joint Commission should be held in India, on a date to be agreed upon by the two sides.
21. Following the Joint Commission deliberations a Memorandum of Understanding on Small Development Projects and an Exchange Programme on Education between India and Sri Lanka were signed.

10th June 2005

Colombo