

Sri Lankan President Visit to Bangladesh: A New Chapter of Relations

By Barrister Harun ur Rashid

Former Bangladesh Ambassador to the UN, Geneva.

Sri Lankan President Mahinda Rajapakse's three-day visit to Bangladesh from April 18th is of immense significance in terms of bilateral relations as both countries share commonality on many issues.

It may be recalled that in April 2003, former Sri Lankan President, Ms. Chandrika Kumaratunga paid a two-day visit to Bangladesh and held talks with former Prime Minister Begum Khaled Zia to reinforce bilateral cooperation in various sectors..

During the current visit, it is reported that both countries have signed five deals to strengthen bilateral cooperation in areas such as, trade, investment, tourism, transport and shipping, agriculture research and scientific, cultural and educational areas. The deals have been discussed at the earlier meetings between Foreign Secretaries in January.

Diplomatic relations between Sri Lanka and Bangladesh were formally established in 1972 and the Sri Lanka High Commission in Bangladesh was set up in June 1979.

Bilateral relation between the two countries has always been friendly and cooperative and was consolidated through highest political level visits from both sides in the past.

Furthermore, there have been many visits by Ministers of both countries to expand their relations. In 2010, Bangladesh Foreign Affairs Minister had a bilateral meeting with her counterpart on the sidelines of the Third Asia Middle East Dialogue Ministerial Meeting in Bangkok and discussed many issues of cooperation.

In 2008, Sri Lanka and Bangladesh reactivated the Joint Committee for Economic and Technical Cooperation which was set up in 1985 to extend cooperation in trade, tourism, cottage industries and shipping.

Bangladesh is the fourth largest trading partner of Sri Lanka in the SAARC region in terms of exports and imports, although the trade volume is not large. During the 2009-10 fiscal year, Bangladesh reportedly exported goods worth US\$ 23.74 million to Sri Lanka against imports of US\$ 22.76 million. During the July-December period of 2011, exports stood at \$13.82 million to Sri Lanka

There are huge potentials for expansion between the two countries. Bangladesh's leather, ceramic and jute products and Sri Lanka's coconuts and its products, tea, gems and rubber have good prospect of expansion of trade relations between them.

To promote trade, the Sri Lanka Bangladesh Chamber of Commerce and Industry (SLBCCI), a business council, was established in Dhaka in 2006 and the Council has urged businessmen from the two countries to step up investment and trading potential, given that there are many areas the two countries could exploit.

In October 2010, business delegation from SLBCCI visited Sri Lanka with the objective of increasing investment and trade opportunities. The delegation initiated linkages that would lead to the establishment of joint ventures and technology transfers between the two countries.

There is a growing technical co-operation on the production of garments between the two countries. Bangladesh employed highly skilled technical persons from Sri Lanka in the garment industry and their number is estimated to be around 300. The instructors of Bangladesh Institute of Fashion and Technology receive training at mid management level related to ready-made garments industry, pattern on garments, marketing and quality control in Sri Lanka's Clothing Industry Training Institute.

Some Sri Lankan garment exporters have moved to Bangladesh for its cheap labour and duty-free-access to developed countries. Sri Lankan investments have already entered in service sectors such as hotels and hospitals in Bangladesh.

Sri Lanka's current investments have also been in Bangladesh's garment and banking sector and expect to diversify into different areas. A total of 31 Sri Lankan companies have been registered with Bangladesh Board of Investment and the total investment was recorded at \$75 million under joint venture and full foreign ownership.

Many Bangladeshi companies have identified Sri Lanka as another destination to setup their branches and manufacturing plants. A few Bangladeshi companies have engaged in the construction industry and other infrastructure development projects in Sri Lanka.

Bangladesh also hosts a number of Sri Lankan medical students and cricket as a form of friendly communications between their people. There are more than 500 medical students studying on a self-pay basis as of 2009.

Bangladesh private medical colleges could advertise in Sri Lanka for availability of seats to attract Sri Lankan students to their institutions. There are ample opportunities to let people of Sri Lanka aware of the many professional and ICT courses available in private universities in Bangladesh for prospective Sri Lankan students.

In 2007, the government of Bangladesh donated the sacred hair relics of Lord Buddha to Sri Lanka and it is one of the milestones in bilateral relations. Bangladesh supported Sri Lanka in the UN Human Rights Council in 2009 for not committing war crimes in eliminating Tamil Tigers in May 2009.

There has been discussion to increase bilateral relations, cooperation between the two navies and sending Sri Lankan Naval personal to study in Bangladesh

Bangladesh and Sri Lanka participate in the joint exercise of peace keeping under the UN department of peacekeeping operations. There are goodwill visits at the level of Chiefs of armed forces between the two countries.

Both countries are members of the Commonwealth, Non-Aligned Movement and SAARC. Both played vital role in the formation of SAARC and are keen to see that the regional organisation grows to its fullest potential. Both countries are members of BIMST-EC and Indian Ocean Rim Association for Regional Co-operation (IOR-ARC). These two bodies are intended to explore and expand the economic, trade and investment co-operation among member-countries of the Indian Ocean.

The regional body BIMSTEC (The Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation) has identified five core areas of co-operation, such as textiles and clothing, pharmaceuticals, horticulture and information technology products.

Both countries are rich in entrepreneurial spirit and there is no reason why both nations with their innovative private sector and democratic governments cannot cooperate with each other to turn into the rank of middle-income countries in near future.

The relations of two countries are based on mutual benefits and it will continue to grow further as the two countries look forward to cooperative relations in various sectors, if private sectors seriously utilise existing opportunities and arrangements between the two countries.

Given the above scenario, the visit of the Sri Lankan President will be an excellent opportunity to discuss a wide-ranging bilateral issues including exploitation of their resource endowments. Both countries can play as a catalyst to constitute an integrated market for the dynamic economic region of South Asia. The visit has hopefully opened a new chapter in relations between the two countries.