

Sri Lanka



A\$0.7 million
Budgeted funding



1

**Bilateral and regional
research projects**

In line with the foreign policy White Paper, Australia's aid program assists Sri Lanka's progress as a secure, stable and prosperous partner in the Indian Ocean region. We have embedded an economic partnership approach, with the aim of maximising the number of Sri Lankans who benefit from economic growth. Australian assistance aims to catalyse reform and leverage additional resources from the Sri Lankan government, the private sector and the community sector. The program will continue support transition from post-conflict reconstruction to supporting economic growth and improving governance.

An overview of Australia's aid program in Sri Lanka is available on the DFAT website.

Economic and development growth in Sri Lanka has been strong over the past two decades, resulting in significant poverty reduction across the country. The country has overcome significant challenges in this time.

A 26-year civil war scarred the nation and a tsunami in 2004 left tens of thousands of people dead, injured or homeless. Today, Sri Lanka has achieved most of the United Nations' Millennium Development Goals and has achieved middle-income country status. But growth has not been uniform, and significant pockets of poverty exist in the former conflict districts of Mullaitivu, Manar and Kilinochchi in the Northern Province, as well as Batticaloa in the Eastern Province and Moneragala in the Uva Province.

Australia has a strong interest in ensuring Sri Lanka continues its development as a secure, stable and prosperous partner of Australia in the Indian Ocean region, underpinned by an effective postconflict reconciliation process.

ACIAR had a broad collaborative research program with Sri Lanka from 1980 to the early 2000s, which covered fisheries, agriculture policy, forestry, animal health and crops. In 2016, Australia's Commission for International Agricultural Research requested an assessment of re-establishing a collaborative research program with Sri Lanka. A scoping study by ACIAR concluded that there was a conducive environment to re-establish a collaborative research program with Sri Lanka, and that it should start with a multidisciplinary project in aquaculture for freshwater shrimp, focused on communities in the Northern Province. Given Sri Lanka's middle-income status, this re-engagement with Sri Lanka is incumbent on significant co-investment from Sri Lanka.

Country priorities

Improved income and employment opportunities for many Sri Lankans are currently constrained by gender, geography, ethnicity, caste, lack of productive assets and a weak private sector. The main development priority for Sri Lanka is supporting inclusive growth and human development.

ACIAR re-engagement with Sri Lanka supports Objective 1 of the Australian Government's development cooperation program with Sri Lanka: to expand economic opportunities for the poor. This objective specifically notes that the growth and competitiveness of the Sri Lanka economy, particularly small- and medium-sized enterprises, is constrained by issues such as lack of access to finance, markets, market linkages and technology, skills gaps in the workforce and lack of effectively coordinated and inclusive policy reform.

Australia will identify several target sectors and value chains that offer the highest potential to benefit the poor, and women in particular. We will work closely with the private sector and government to enhance the business-enabling environment by improving the relevance, quality and effectiveness of skills, technology, regulations and policies. The objective is for more poor Sri Lankans to receive higher wages, more stable income and rising wealth as a result of equitable engagement with the private sector.

2020–21 research program

ACIAR supports one project in Sri Lanka, which addresses our high-level objectives, as outlined in the 10-Year Strategy 2018–2027, as well as specific issues and opportunities identified by ACIAR and Sri Lanka partners.

Fisheries

Sri Lanka has a well-developed and sustainable inland reservoir fishery that makes up about 12–15% of total fish production and significantly benefits rural communities in the former conflict-affected Northern Province. Management practices and stocking strategies for sustainable culture-based fisheries, based on a co-management strategy, have been established in two previous ACIAR projects and have increased the productivity of the reservoir fishery.

The Government of Sri Lanka has long recognised the potential for the extensive culture of the indigenous giant freshwater prawn (*Macrobrachium rosenbergii*) in inland reservoirs, but development has been ad hoc, with productivity and returns relatively low. An ACIAR-supported project, led by Dr Clive Jones of James Cook University, is investigating stocking, monitoring and harvesting practices to optimise fish and prawn productivity and product quality. The project also aims to better understand the market chains, to enable further improvements in the value of the fishery and to benefit both men and women fishers and traders.¹

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See page 209 for contact details

Current project

1. Improved productivity, efficiency and sustainability of the culture-based fishery for finfish and giant freshwater prawn in Sri Lankan reservoirs (FIS/2018/157)



A new project is investigating stocking, monitoring and harvesting practices to optimise fish and prawn productivity and product quality, in inland fisheries in the Northern Province of Sri Lanka. Photo: Clive Jones. ACIAR project: FIS/2018/157.