Study Questions

1. What were the political and economic considerations that led to the close relationship between Sri Lanka and China? What was the nature of this relationship? What were the respective interests for each? Was it a symmetrical relationship?

2. What were the reasons behind the prominence of Chinese funded infrastructure projects relative to others in Sri Lanka? What was the financial and regulatory backdrop to these projects? Did the Colombo Port City fit the pattern? How was it similar and/or different from previous projects?

3. What were the reasons behind Sirisena’s government’s decision to suspend the project? Taking in to consideration the circumstances and the impact of the project, was it the right decision? Was it a responsible decision to renege on commitments made by the previous government?

4. How did the Concession Agreement envisage the roles and obligations for the two parties? What was the logic behind the restrictions placed on the SLPA/GOSL? Were they fair? Was it a good deal for both parties? Why or why not?

5. What should the Sri Lankan government’s strategy be in renegotiating the deal? What should it prioritize and what leverage can it realistically use? If it cannot get the deal it wants, should it cancel the project altogether?