

MEMORANDUM OF COOPERATION
FOR THE DEVELOPMENT OF THE COLOMBO
SOUTH PORT IN SRI LANKA

AMONG

THE GOVERNMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF SRI LANKA

THE GOVERNMENT OF THE REPUBLIC OF INDIA
AND
THE GOVERNMENT OF JAPAN

28TH OF MAY TWO THOUSAND AND NINETEEN

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FOR THE DEVELOPMENT OF THE COLOMBO SOUTH PORT IN
SRI LANKA

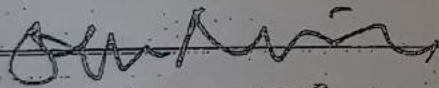
Based upon the discussions held respectively between President Maithripala Sirisena and Prime Minister Narendra Modi in Delhi on March 11, 2018, and between President Maithripala Sirisena and Prime Minister Shinzo Abe in Tokyo on March 14, 2018 the Government of the Democratic Socialist Republic of Sri Lanka, the Government of the Republic of India and the Government of Japan (hereinafter collectively referred to as "the three Governments") confirmed their commitment to cooperate as follows:

1. The three Governments share the view that it is of great geo-strategic importance for Japan and India to be stakeholders in the operation of the East Container Terminal (hereinafter referred to as "ECT") located in the Colombo South Port.
2. Considering the long standing good will and cooperation among the three Governments, the Government of the Democratic Socialist Republic of Sri Lanka invites Japanese participants concerned and Indian participants concerned to take a 49% stake collectively in the Terminal Operations Company (hereinafter referred to as "TOC") that will be set up with the exclusive and explicit purpose of providing the equipment and systems necessary for the development of the ECT and managing the ECT for long periods. The stake of 51% of the TOC belongs to the Government of Sri Lanka under the Sri Lanka Ports Authority (hereinafter referred to as "SLPA").
3. The Government of Japan will endeavor to sign the Exchange of Notes to provide the yen loan under highly concessional conditions to the Government of Sri Lanka at the earliest possible date to enable faster capacity expansion at the ECT through the participation of Japanese companies, which could cover payments made by the SLPA prior to the provision of the said loan for quick placement of ship to shore cranes and rubber tyred gantry cranes.
4. The three Governments recognize that the Colombo Port is at almost full capacity, and acknowledge the paramount importance of early operation of the ECT.

5. The three Governments will immediately commence work including necessary study for concrete cooperation under this memorandum, and will hold a joint working group meeting among authorities concerned from the three countries in a timely manner to discuss issues including, but not limited to, those described below:

- i. Details of the TOC including terms and conditions of the participation by Japanese participants concerned and Indian participants concerned as well as the control and operation of the ECT.
- ii. Terms and conditions as well as the scope of the yen loan to be provided by the Government of Japan.
- iii. Concrete schedule and steps toward the realization of early operation of the ECT.
- iv. Terms and conditions of cooperation under this memorandum, including duration of cooperation, modification of this memorandum and resolution of differences in implementation and interpretation of this memorandum.

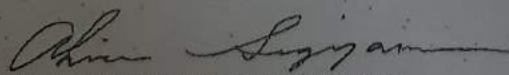
Signed at Colombo on May 28, 2019, in triplicate in the English language.



Sagala Gajendra Ratnayaka, Minister of Ports and Shipping and Southern Development of the Democratic Socialist Republic of Sri Lanka
On behalf of Democratic Socialist Republic of Sri Lanka



Taranjit Singh Sandhu,
High Commissioner Extraordinary and Plenipotentiary of India to the Democratic Socialist Republic of Sri Lanka
On behalf of the Government of the Republic of India



Akira Sugiyama,
Ambassador Extraordinary and Plenipotentiary of Japan to the Democratic Socialist Republic of Sri Lanka
On behalf of Government of Japan