

**Second Council of Ministers Meeting of the Indian Ocean Rim Association for Regional Co-operation, 30-31 March, 1999, Maputo, Mozambique ;
Address by Hon. Manou Bheenick, Minister of Economic Development, Productivity and Regional Development of Mauritius and Chairman of the IOR-ARC Council of Ministers**

HE Dr Joaquim Chissano, President of the Republic of Mozambique,
Honourable Ministers
Members of the Diplomatic Corps,
Excellencies
Distinguished delegates
Ladies and Gentlemen

It is a very great honour for me to address you at this opening ceremony of the Second Ministerial Meeting of the Indian Ocean Rim Association for Regional Co-operation.

2. At its foundation meeting in March, 1997, Council unanimously accepted the offer of the Government of the Republic of Mozambique to host this Second Council of Ministers Meeting. I would like to thank the Government and the people of the Republic of Mozambique for the excellent arrangements they have made for hosting the Council of Ministers Meeting and the series of meetings that have preceded it. The warm welcome we have received since our arrival in Maputo is a clear testimony of the commitment of Mozambique to the IOR - ARC.

Mr. President
Excellencies
Ladies and gentlemen

3. Two years have elapsed since the historic launching of the IOR-ARC with the adoption, by acclamation, of the Charter which serves as a reference for our Association. In adhering to the principles and objectives of the Charter, we have implicitly agreed to pursue programmes and policies aimed at economic reforms to liberalise our economies further, and eventually lead towards regional integration.

4. I am sure you will agree with me that the IOR-ARC has acquired some experience during its short existence. A Pilot Co-ordination Mechanism, better known as the PCM has been set up, to co-ordinate, service and monitor the implementation of policy decisions and work programmes. The PCM is headed by a Director from my country and an Assistant Director from the Sultanate of Oman. A Headquarters Agreement to facilitate the smooth working of the Pilot Co-ordination Mechanism is being finalised and will, I understand, be signed as soon as convenient. Let me emphasise that I have done everything at the level of my Government to have this Headquarters Agreement approved so that it is signed here in Maputo. This Headquarters Agreement will be another milestone in the development of our Association, as it will assist the PCM to enter into contractual obligations and to enjoy the facilities, immunities and privileges that are normally extended to international organisations.

5. Various projects of a regional character in the fields of trade, tourism, technology diffusion, human resource development, maritime transport, insurance, information technology and standards and accreditation, among others, have been identified. These projects are currently being implemented on a voluntary basis by member-states.

6. The last quarter of 1998 was particularly eventful in the life of our young Association. The Sultanate of Oman organised the first exhibition of the IOR-ARC in October 1998 to assist in

facilitating cross-border trade, investment and finance operations. It also held a Seminar to sensitise stakeholders on the role of the IOR-ARC. In November 1998, Sri Lanka organised a meeting of experts on standards and accreditation which is very important for trade facilitation not only among member countries but also with the rest of the world. And in December last, Australia held a Trade and Investment Forum to enhance economic co-operation, open market opportunities and foster higher levels of regional and intra-regional trade and investment. This hyper-activity has continued into 1999. India has recently hosted a Trade Fair to familiarise businessmen and investors with the technological capabilities and possibilities available in the region.

7. Although many of our achievements may not be very apparent to outsiders, I have the sincere belief that we have accomplished more than could have been reasonably expected of us two years ago. This is all the more remarkable, given the low level of funding support that we have directed to IOR-ARC activities. We have created the critical mass necessary for our Association to take up the challenges brought about by globalisation and internationalisation of our economies. We are being increasingly recognised on the international scene. The fact that eight more countries are eager to join the Association, while some other nations and organisations have applied for dialogue partner or observer status, is itself a clear indication of this growing international recognition. Given our modest beginnings, there is admittedly some cause for satisfaction. But there is certainly no room for any complacency. We all know that there are a number of areas where implementation needs to be accelerated.

8. We, who have so much in common, have always wished that the Indian Ocean should not be a factor separating us. We have now resolutely spanned that vast expanse of salt water and brought our peoples together in a true spirit of friendship and solidarity. We now feel closer as we have developed not only a sense of belonging but also a new collective identity. In spite of the diversity of our economies and the varying levels of our economic and social development, there is enough to cement our strong bonds of friendship. The IOR-ARC is a concrete example of unity in diversity. But unity also means shared responsibility. And our first shared responsibility in the tasks awaiting us is to honour fully the commitments that we have taken.

Mr. President
Excellencies
Ladies and Gentlemen

9. With a combined population of over 1.5 billion, we represent the single largest market in the world, if, that is, we were organised as a single market - which clearly is not the case. We do, however, have the potential to move towards greater economic prosperity. We must consolidate and enlarge our alliance and harness our collective efforts in the same direction.

10. The IOR countries have the resources, the know-how, the technology and the labour force required to move on to bigger things. We need to design appropriate national and regional policies; we need to engineer the relevant institutions to attract the right mix of investment for creating the conditions necessary for sustained growth and development.

11. The IOR-ARC is an odd creation, spanning **three** continents - Africa, Asia and Australia. What could be more natural than for this strange creature to rest, strangely enough, on three legs. Collectively, we have given a new meaning to tripartism. For us to progress, all three legs must keep in step. And this is exactly what we, business, academics and Government have been doing. We are increasingly getting our act together. The Indian Ocean Rim Academic Group (IORAG) is developing its think-tank function and coming up with novel ideas and strategies. The Indian

Ocean Rim Business Forum (IORBF) has developed successful business networking and is active in the implementation of a number of projects which have a regional dimension, especially those that can spur trade and investment. The various ingredients to energise our co-operation and stimulate faster economic growth are very much there.

12. The horizon that beckons goes beyond the rate of economic growth in the region. What drives us is the need for social upliftment and increased welfare for our peoples. I am sure that each one of us in this room is aware of the responsibilities which rest on our shoulders as we strive to build our Indian Ocean Rim community.

Mr. President
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Ladies and Gentlemen

13. I am confident that this gathering will be an opportunity for us to focus on issues of vital importance. I have in mind such questions as those relating to membership, our rules of procedure, the review of the Pilot Co-ordination Mechanism and the budget. I am sure we will address these issues in the same co-operative spirit and understanding which have guided us so far.

14. Many people outside will be taking a close interest in what we do and say during this meeting. They will be looking for consensus and co-operation. But more than this, they will be assessing our determination, our sense of commitment and our capacity for shared leadership at a time when globalisation is the subject of intense discussion all over the world. That is why, we hope that during the Mozambican presidency of our Institution, we should be able, at least, to finalise arrangements for holding a Summit of our Heads of State and Government

15. Looking ahead, at the very dawn of the new millennium, we have to chart an agenda to further the liberalisation process, to intensify regional co-operation and strengthen our programme implementation capacity so that we can fully meet the needs and challenges of an increasingly globalised and technology-driven economy. This should be the focus of our future mandate.

16. This meeting will also allow us to stretch our collective imagination towards the future direction and purpose of the IOR-ARC. Do we really need any encouragement to shed the blinkers of narrow sectoral or national interest and to focus on the betterment of our peoples? Does not this meeting come at a time when the challenges - as well as opportunities - have never been more evident? For us, should not this be a time for vision and imagination?

17. We are partners in the same endeavour and by working together, we will be able to better defend and promote the aspirations of our peoples. Let us hope that at the end of this Second Council Meeting, no one, not even the most carping critic, can point a finger at us that we failed to address the challenge of institutional development. Let us hope that we shall succeed in our common desire to instil even greater dynamism and sense of purpose in our institution. Let us hope that we can all look back with a sense of satisfaction that we have contributed significantly to the advancement of the Indian Ocean Rim Association for Regional Co-operation.

Thank You.