

Remarks by
H.E. Director General Lu Shaye
at the 12th Meeting of the Council of Ministers' of the
Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)

Gurgaon, 2 November 2012

Your Excellency Minister Khurshid,
Your Excellency Secretary General Bhagirath,
Distinguished Heads of Delegation,
Ladies and Gentlemen,

It's an honor for me to attend the 12th Meeting of the Council of Ministers' of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) on behalf of the Chinese government. Let me extend warm congratulations on the 15th anniversary of the IOR-ARC. I'd also like to convey our sincere gratitude to the Indian Government and the Coordination Secretariat of the Association for their hard work for this meeting and warm hospitality to all the delegates.

The 15 years of the IOR-ARC's evolution has demonstrated the strong aspirations of the Indian Ocean Rim countries to seek development through unity and prosperity through cooperation. Since its establishment in 1997, the IOR-ARC, as the sole economic cooperation organization of the region, has been steadily promoting institutional building, actively pushing forward cooperation between member states in trade and investment liberalization, science and technology, culture, infrastructure and other fields, and continuously strengthening coordination and cooperation between its member states in international and regional affairs. It has become a stabilizer for peace and security and booster for prosperity and development in the Indian Ocean Rim region. Just now, we have listened attentively to the chairperson's report by Minister Khurshid and the opening remarks by Secretary General Bhagirath, and are sincerely happy for the achievements the Association has made over the past year. We are confident that with the joint effort of the IOR-ARC and all its members and dialogue partners, greater success will be achieved in its institutional building and mutually beneficial cooperation.

Today, the underlying impact of the international financial crisis continues to haunt us. Countries are experiencing economic slowdown, and the downward risks in the global economy are not to be underestimated. At the same time, inter winning conventional and non-conventional security factors and persisting hotspot issues are bringing new challenges to world peace and development. With an important geographic location and distinctive advantages in resources, market and culture, the Indian Ocean Rim region enjoys a rising position and a bigger role in the international arena. The members and dialogue partners of the IOR-ARC should make full use of the effective platform provided by the Association to actively cope with various security challenges, enhance economic and trade cooperation, resolutely oppose protectionism in all its forms with concrete action, upgrade trade and investment facilitation, build a more open and free regional trading system, and contribute more to peace and prosperity of the region and early and steady recovery of the world economy.

Ladies and Gentlemen,

Since becoming a dialogue partner of the IOR-ARC in January 2000, China has enjoyed growing friendly relations with the Association. We have sent delegations to all the Ministers' Council Meetings and kept active exchanges and cooperation with the IOR-ARC and its members. We have also made contribution to the growth of the Association within our capabilities. In recent years, trade between China and IOR-ARC members has shown a dynamic momentum. In 2009, 2010 and 2011, the two-way trade accounted for 15.7%, 16.4% and 17.3% respectively of China's total foreign trade, and reached US\$633.17 billion in 2011, registering a year-on-year growth of 30%. China is having FTA talks with many IOR-ARC members, which will further contribute to a more open and liberal regional trading system. IN the field of science and technology, China is seeking cooperation with IOR-ARC members in fields such as desalination of brackish sea water and wastewater treatment through the IOR-ARC Centre for Science and Technology Transfer. Besides, China has sent 12 naval fleets to the waters off the Somali coast on escort missions and carried out cooperation with some IOR-ARC members in fighting piracy in order to safeguard security of the shipping lanes in the Indian Ocean.

China respects the purposes of the IOR-ARC, supports its goals and priorities in cooperation, and is ready to work with its members and other dialogue partners to further strengthen communication and cooperation in fields such as Maritimes safety and security, trade and investment facilitation, culture and education, science and technology, fishery and disaster mitigation, and enhance mutual support and coordination in international affairs. I'd like to take this opportunity to announce on behalf of the Chinese government that the Chinese side has decided to contribute US\$ 100, 000 to the IOR-ARC on the occasion of its 15th anniversary as a way to express our support to the Association and sincere wish to deepen mutually beneficial cooperation with the Association and its members. We hope this contribution will facilitate the development of the Association and the smooth implementation of its cooperation projects.

To conclude, I wish the 12th Council of Ministers' Meeting a complete success.

Thank you.