

# INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL CO-OPERATION

# Speeches of the 11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India

15<sup>th</sup> November 2011

11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India Tuesday, November 15<sup>th</sup> 2011

# Statement by H.E. Dr Abu Baker Al-Qirbi Minister of Foreign Affairs and Head of the Delegation Republic of Yemen 11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India 15<sup>th</sup> November 2011

Honorable Ministers, Excellencies, Ladies and Gentlemen.

It gives me great pleasure to open this 11<sup>th</sup> Meeting of the Council of Ministers of the Indian Ocean Rim Association for Regional Cooperation which is convening in Bengaluru, the high-tech capital of India. We must express our deep appreciation and gratitude to the Government and people of India for the excellent arrangements and warm hospitality. We also extend our thanks to the Secretariat for their hard work in preparing for our deliberations that would take place today.

My country, the Republic of Yemen, is proud of being the Chair of IOR-ARC for the last two years, during which the association witnessed some significant achievements and progress in the various forums.

These achievements could not have been realized without the goodwill, cooperation and support of all Member States, who have strove to give our association a solid foundation by adopting a revised Charter as well as the Rules of Procedures, Staff Regulations and Financial Regulations which was necessary to capacitate IOR-ARC to perform effectively in the tasks mandated by this Council.

Our Dialogue Partners participated in the 10<sup>th</sup> Ministerial meeting in Sana'a not just in the discussions and deliberations, but also by showing their commitment to the programmes of IOR-ARC. As an example, I recall the generous donation by the People's Republic of China, for the activities of our Association. The constructive participation of our Dialogue Partners in our meetings demonstrate the willingness of all our stakeholders to work together to achieve tangible results in our mission to improve the lives of ordinary people in our region.

Honorable Ministers, Excellencies, Ladies and Gentlemen,

Before reporting on the progress that has been achieved, I would like to take this opportunity to express my appreciation to all Member States who contributed to the objectives of the association during the last years, by successfully implementing the projects recommended by the 2010 meeting of this Council in Sana'a. Apart from the Flagship Projects of our Association, various other activities took place during the preceding year. The hosting of a Bi-Annual Meeting of the Committee of Senior Officials, endorsed at our previous Council meeting provided an important bridge between the annual meetings of this Council, and I commend our Senior Officials for their invaluable proposals. I also thank our Member States for the hosting of various meetings, exhibitions, and training courses which added significant value to the work programme of IOR-ARC.

Yemen is ready to do whatever it can to strengthen the Association and to improve the level of its cooperation in spite of the recent domestic situation that hinder economic development. I am sure that with the wisdom of the Yemeni people we can resolve this political dispute.

Honorable Ministers, Excellencies, Ladies and Gentlemen,

I will highlight just a few important activities during the past year. The Chair of the CSO will provide you with a more detailed report.

The Fisheries Support Unit, the Maritime Transport Council, the Regional Center of Science and Transfer of Technology, the Preferential Trade Agreement, and our progress in initiating Trade and Investment opportunities, deserve the support of all Member States. It is critical that these projects be regional in character and this can only be done if we have the broad participation of our Member States.

Honorable Ministers, Excellencies, Ladies and Gentlemen,

As we hand over the Chair to the Government of India, I am confident that the experience and wisdom of my colleagues, His Excellency, Honorable Minister S.M. Krishna of India as well as the incoming Vice-Chair, His Excellency, Minister Kevin Rudd of Australia, this IOR-ARC ship will be steered in the right direction, as it traverses the waters of the Indian Ocean, it will take us along the same path of prosperity, as our forefathers did – many centuries ago.

India has played a leading role in this Association and brings to our Council its vast experience in other international and regional organizations, due to its rich historical heritage of trade and industry. The Government of India initiated policy reforms in industrial trade and agricultural policies in 1991, which have created an investor-friendly environment, that had fostered economic and urban growth. Bengaluru is one example of India's successful policies, which I believe we can all learn from. I would also like to congratulate Australia for its elevation to the position of Vice Chair.

Honorable Ministers, Excellencies, Ladies and Gentlemen,

May I take this opportunity to wish our Honorable Council of Ministers every success for this meeting.

I thank you.

#### IOR/11COM/REP/11/1.3



## INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL CO-OPERATION

#### **OPENING REMARKS**

#### AMBASSADOR MORTEZA SARMADI

**SECRETARY-GENERAL** 

11<sup>th</sup> MEETING

**COUNCIL OF MINISTERS (COM)** 

BENGALURU, REPUBLIC OF INDIA

TUESDAY, NOVEMBER 15<sup>th</sup>, 2011

11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India Tuesday, November 15<sup>th</sup>. 2011

#### OPENING REMARKS BY THE SECRETARY GENERAL

#### AMBASSADOR MORTEZA SARMADI

#### 11<sup>th</sup> MEETING OF THE COUNCIL OF MINISTERS BENGALURU, REPUBLIC OF INDIA

#### TUESDAY, NOVEMBER 15<sup>TH</sup>, 2011

His Excellency, Dr Abu-Bakr Al-Qirbi, Minister of Foreign Affairs of the Republic of Yemen;

His Excellency Shri S.M. Krishna, Minister of External Relations of the Government of India,

Excellencies, Heads of Delegations of the Council of Ministers,

Distinguished Guests, Ladies and Gentlemen,

May I take this opportunity of joining the Chair in extending a warm welcome to our distinguished Ministers, our esteemed Dialogue Partners, delegates of the various forums, our Observers, the Media and invited guests to this 11<sup>th</sup> Meeting of the IOR-ARC, Council of Ministers. It is my great pleasure to attend this - my third meeting of the Council of Ministers, as Secretary General of IOR-ARC.

My sincere thanks also goes to the Government of India for its exceptional arrangements and warm hospitality extended to the Secretariat and indeed to all delegates attending this meeting.

It is common knowledge that the past year has been very challenging to our Member States. Major political upheavals and the harsh economic climate have had a major impact on most, if not all Member States of IOR-ARC. In these difficult times, it is comforting to know that as a Community of Nations, one could seek and obtain the support and counsel of its friends during these perilous times. Our membership in organizations like IOR-ARC therefore provides us with an invaluable opportunity to interact with our counterparts and in exchanging views on the various difficult issues facing us all; and furthermore in obtaining a better understanding of the different perspectives advanced by Member States, in seeking some solutions to the recent challenges facing the people in our region.

Excellencies, Ladies & Gentlemen,

As this year marks my conclusion of three years as Secretary General of IOR-ARC, may I avail myself of this opportunity to briefly highlight to the Council of Ministers, on some of the more important matters that the Secretary General had been mandated to engage in, on assuming office in July 2008. My more detailed report regarding our projects, our challenges as well as our successes, will be presented under Agenda Item 3 of this meeting.

Excellencies,

By far, one of the most important matters that Council identified for swift action related to the introduction of measures to make IOR-ARC more receptive to the needs and demands of the communities that it was created to serve.

Council proposed firstly, that the smooth and efficient functioning of a well organized Secretariat should be given priority and accordingly recommended the strengthening of the Human Resource capacity of the Secretariat, a revision of the Charter of IOR-ARC to make the Association more relevant and the launch of an IOR-ARC website - the latter being approved at the last meeting of the Council in 2010. It was envisaged that the active participation, guidance and support of Member States remained the cornerstone for the successful implementation of projects of the Association.

Secondly, the Council of Ministers, in its wisdom proposed various measures for a more efficient *modus operandi* to ensure the successful implementation of various projects proposed by the organs of IOR-ARC. These measures included a review of the Administrative Arrangements of the IOR-ARC Special Fund, a revision of the Rules of Procedure, the Priorities & Work Programme of IOR-ARC and the Restructuring, Improvement and Terms of Reference of the Academic Group.

With the cooperation and assistance of Member States, I have attempted to address most of the concerns of Member States relating to these issues, which will be dealt with in greater detail later, during the course of today's meeting.

In this regard, mention must be made of the role of the Bi-Annual Meeting of the CSO held in Canberra earlier this year, which paved the way for the adoption of several key reports that the 2010 COM mandated the CSO to consider. The recommendations of the CSO Bi-Annual Meeting are also being tabled at today's meeting.

The proposal by the 2010 Meeting of Council to convene a Bi-Annual Meeting of the CSO is significant in that it provided Member States with an opportunity to interact on a high-level and to attend to pressing issues between the annual meetings of the Council of Ministers. Our thanks goes to the Government of Australia for the hosting of this meeting, as well as to all participants for their valuable contributions.

Excellencies, may I also take this opportunity of bringing to the attention of this meeting the solid support and generosity of the Government of Mauritius in its assistance in the relocation of the premises of the Secretariat to its excellent new offices, during this period under review. Mauritius has been unwavering in its support for the well-being of the Secretariat and deserves special thanks and acknowledgement by Member States.

Our thanks also goes to South Africa for the extension of the term of office of Mr Vish Badal by an additional year, to February 2011 and also to India for the deployment of Mr Manish Agrawal, who joined the Secretariat in December 2010. May I take this opportunity of acknowledging and introducing our Directors, Mr Badal and Mr Agrawal to those of us who may not yet had the opportunity of meeting with them.

#### Excellencies, Ladies & Gentlemen

It is my view that there have been improvements in the capacity of the Secretariat to be in a more favorable position to undertake a greater responsibility in fulfilling its role. The support and cooperation

of Member States is however central to the work programme of the Secretariat, as the Secretariat largely assumes a coordinating role, with the IOR-ARC projects being driven mainly by our Member States.

While there will always be room for improvement, the structure of the Secretariat has been vastly improved. We have instituted an ongoing training programme for our local staff conducted both locally and also with the assistance of training programmes, hosted by Member States like India.

May I also take this opportunity of eliciting the support of our Dialogue Partners relating to capacity building and training programmes for the Association, the engagement of our Observers in some of our projects and - most importantly - the initiation and advancing of new projects by Member States that would all contribute towards strengthening the Priorities and Work Programme of IOR-ARC.

In this regard, we look forward to strengthening our relations with our Dialogue Partners, particularly in some of our "Flagship" projects like the Fisheries Support Unit, the Regional Centre for Science & Transfer of Technology, the Maritime Transport Council, the promotion of Intra-Regional Tourism, Marine Conservation in the Indian Ocean and measures to curb the rampant increase in Piracy that continue to plague our region. We believe that their input and participation in these projects will have a significant and positive impact beyond the economies of the IOR-ARC region.

Mr Chairperson, we have a full agenda before us and we look forward to a lively, invigorating and productive meeting. I wish the Ministers well in their deliberations and look forward to your recommendations for a Programme of Action for the Association for the forthcoming year which would address both our shortcomings, specifically regarding the adoption of new projects that may have a positive impact on the communities that we serve.

We also look forward to the wisdom of the Council of Ministers for ways in which we may optimize the vast and collective resources of Member States of IOR-ARC in promoting the development of this region; to further benefit from an established organization in the Indian Ocean that has the capacity to promote Intra – Regional Trade and Investment opportunities and environment issues etc, and to seek ways in which we may maximize the benefit of our cooperation and partnership with our interested Dialogue Partner States, who are capable and willing to promote the economic and general progress of this important region, while acknowledging the accrued benefits that this may have on the global community;

Excellencies, Ladies & Gentlemen,

I thank you for your time and this opportunity to address you.

### **CHAIR - INDIA**

Opening Statement by External Affairs Minister H.E. Mr S M Krishna at the Council of Ministers' Meeting of 11th Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) November 15, 2011

Excellencies, Distinguished Leaders of Delegations and

Members of the Official Delegations,

Allow me to first thank our officials, business persons and academics, as well as our Secretariat, for their diligent preparatory work for this meeting.

I am grateful to all of you for the confidence reposed in India, as we assume the Chair of this Association for the first time. My colleagues and I will work closely with you to contribute to our collective vision and to achieve our shared objectives.

We welcome Australia as the Vice Chair of our Association.

#### Excellencies.

Over six decades ago, our first Prime Minister Pandit Jawaharlal Nehru envisioned a grouping of countries bordering the Indian Ocean that could help one another in tacking common challenges. This extraordinarily perceptive idea was realized in 1997 with the formation of our Association. We reaffirmed then that the Indian Ocean is an integral part of our collective destiny, and that we need a holistic vision for a cooperative response to current challenges for this region.

The key east-west arteries of international trade – especially in commodities and energy sources – run through our ocean. Maritime security issues impact on our strategic security and the conventional security of our boundaries. Technological evolution and the rising cost of natural resources have made it economically viable to harvest new resources from our sea beds.

The sustainability of our economic development in today's ecologically challenged world requires efficient management of our shared seas. Conservation and sustainable harvesting are vital for the security of our marine food resources.

These are both opportunities and challenges for collaboration, which reinforce the cultural and civilizational factors that have historically united our region. Our Association is based on an open regionalism, permitting multiple channels of interaction in areas of regional and sub-regional interest.

#### Excellencies,

Piracy is a priority challenge. It increases the direct cost of trade. It adds indirect costs through increased insurance premia and a human cost to many of our nationals involved in the shipping industry. We need to build upon existing national, regional and multilateral measures to enhance coordination to combat piracy.

We can build functional relationships between our Navies and Coast Guards to enhance the security of our waters. Our port and customs authorities, as well as our shipping firms, need to address issues of transport infrastructure and connectivity that hinder trade.

The growth of intra-regional trade has been limited by poor connectivity, market complexities and inadequate trade facilitation. Our intra-regional investment flows are modest, though many of our economies are important destinations for foreign direct investment from outside our region. We need to promote initiatives to rectify this situation.

We should strengthen connections between our disaster management agencies. India is willing to share its experiences with the Tsunami Warning System for the Indian Ocean.

Our hydrology, marine biology and weather systems research institutions can develop mutually beneficial collaborative projects, share best practices and enhance national capacities. We can invite the Indian Ocean Naval Symposium, of which all our countries are members, to make a presentation on its work at our future meetings.

Our international technical cooperation programme, ITEC, offers capacity-building courses in a number of areas of priority interest to our Association. Our Foreign Service Institute has developed training modules that could be of interest to diplomats in our member-countries.

More regular educational, cultural and tourism exchanges can play a key role in promoting people-to-people understanding.

Excellencies,

Our officials have been discussing ways of simplifying procedures for utilization of our Special Fund. It should become an effective instrument for financing projects and studies of common interest. With this objective, India has decided to provide additional funding of US \$ 1 million to the Fund.

Excellencies,

From our meetings over the last few days, we get the sense of widespread impatience for our Association to move from discussion to action. India shares this sentiment and would like our meeting today to impart the required momentum in this direction. We have asked all our Heads of Mission in your countries to attend our deliberations here, so that they can take forward our agenda in priority sectors of interest.

In conclusion, Excellencies, I thank you again for your support. I look forward to hearing your views on how best to make our Association more effective.

Thank you.

Bengaluru November 15, 2011

### **VICE-CHAIR - AUSTRALIA**

#### Speech by H.E. Kevin Rudd, Minister of Foreign Affairs

If I could extend to the Government of India and through my good friend and colleague the Foreign Minister of India our thanks for hosting this conference, but also for the excellent administrative arrangements and for the hospitality received last night. If I could also I pass my thanks to the outgoing Chair the distinguished Foreign Minister of Yemen for his excellent work in the custodianship of this institution in recent times.

Firstly I would like to thank all of our colleagues around the table for extending their confidence in the Government of Australia to become the Vice Chair of this institution for the next two years.

The first responsibility of a Vice Chair is to support the Chairman. So I say to my good friend and colleague Minister Krishna, you will have Australia's full support in your custodianship and Chairmanship of this institution in the period ahead during India's position in the Chair.

I think it is important to ask ourselves some basic questions about why we are here and the purposes of this institution. Perhaps the best way of answering that question is to put it in these terms: why is Australia here? Let me put it down to three core reasons.

The first is, we together with the other countries represented around this table, share this mighty ocean, the Indian Ocean. It laps all of our shores and therefore, naturally, we share a common responsibility to care for it. That's the first responsibility.

The second is this. We also share common interests in the future of the Indian Ocean region. If we think about what that means in practice, it's worth reflecting on the core elements. First we have a common interest in preserving the peace of our Indian Ocean region. We have, secondly, a common interest in preserving the common prosperity of our Indian Ocean region through trade, through investment, but also through development cooperation.

Third we have a common interest in maintaining freedom of navigation in the Indian Ocean into the future, because this ocean represents the arteries of global commerce and affecting countries located well beyond the Indian Ocean as well. And therefore we share a common interest to agree on common measures to deal with any threats to the freedom of navigation. My distinguished friend and colleague from India has just referred to the threat of piracy.

Of course we also have a common interest in managing this great blue economy called the 'Indian Ocean' to make sure that we develop the resources of the Indian Ocean in a manner compatible with the principles of sustainable development. We wish to harness the resources of this ocean and its region, but we also want to do so in a way that does not inflict irresponsible damage on the marine environment.

Finally, we share a common interest in acting on the great global challenge of climate change. It affects all of us. It affects many of us in particular, including, most particularly, the small island states of the Indian Ocean, but a number of the other littoral states as well. And I am very conscious, for example, of my discussions over the years with the Prime Minister and the Foreign Minister of Bangladesh about the impact of the low-lying coastal areas of that most populous of countries to the impact of sea inundation.

So friends and colleagues, I think it's worth reflecting in very clear and precise terms what the common interests are which bring us together around this table.

And our final reason for being here as Australia, is not just that we share this mighty ocean, which laps our shores, not just that we share common interests, which we wish to prosecute together, but on top of that if we were to think for a moment about what it would be like right now if over the last 15 or 16 years we did not have a regional institution of this type, I would begin to be fearful of the consequences for the future if our region and the ocean within it began to drift in the wrong way, in a way which undermined the interests of the member states and undermined the interests of the region. And if we did not have this institution, which those who have come before us have built up from meagre foundations 15 years ago to where we stand today, we would be having a discussion about the need for such an institution.

So in summary, friends and colleagues, they are the reasons why we as Australia are members of this institution and have been so since the beginning.

Which of course brings us to Australia's particular characteristics and a perspective we particularly bring to bear. We in Australia are the 12th largest economy in the world, we're the 4th largest economy in Asia after China, Japan and India. We are a 'three-oceans' country: We face the Pacific; we face the Southern Ocean and the world's last remaining wilderness, the Antarctic, which has particular relevance to the future of our planet and also we face the Indian Ocean and the countries represented around this table.

Therefore, we bring an oceanic perspective to bear on all of these matters and we have been from the beginning, by necessity, a maritime power.

As we reflect upon the national circumstances of each country around this table, as you all face the Indian Ocean as well, it's important to reflect on the depth of the economic engagement we all have. If we were simply to imagine a map of the region, and go from east to west and back again, we look at our friends in Indonesia, a major emerging economy of 250 million people, which by the time we reach half century will be a country of some 350 to even 400 million people, and a very large economy and elsewhere in Southeast Asia the dynamos of Singapore, Malaysia and Thailand. Also we move to South Asia, our friend from Bangladesh, Dipu has just joined us, together with our friends in Sri Lanka, and of course the great new rising economic power that is India.

Go to the Gulf and our friends have already spoken to us from Yemen. But I see the Emirates and others here as well as Oman. The centrality of the Gulf to both the travel links, the air links, but also the energy resources of the wider region and the world, bind us together in ways which are often invisible to us because we take them for granted. But if ever there was a threat to the sea lines of communication affecting the delivery of globally energy supplies from the Gulf, or for that matter, from our country Australia, which is one of the largest LNG countries in the world, the largest supplier of many base metals in the world.

And then we go of course to the emerging great economies of Southern and Eastern Africa who are represented here as well. And the population growth of the African continent by the middle of the century. And then of course Australia itself, as well as the island countries of the Indian Ocean, which have particular economic challenges driven by isolation, but also by the particular challenges of climate change. But my point is the economic contribution to this region by the member states is huge. And our challenge I think is to make the economic engagement between us deeper and broader, because there is much potential still to realise.

We've touched also, and my distinguished Indian colleague did the same, on some of the security threats we have in common. I believe it's very simple. Unless we as an Indian Ocean institution do not deal

collectively in partnership with other global institutions with the challenge of piracy, our various member constituencies, our business communities and our civilian populations, as well as our respective governments, will think that we're not doing our jobs.

This problem is real. In 2011, in nine months, 185 attacks against ships off Somalia, hijacking of 28 vessels, 15 vessels are still being held hostage, together with three or four hundred people, we have had piracy operations in the Indian Ocean out to 1750 nautical miles of the East African coast, we have had the spread of piracy down the East African coast, ransoms now being charged are now going to extraordinary heights, and the average now being more than US\$5 million, and these are ransoms for persons.

As well as the impact which it has on global maritime insurance, as well as the impact on, for example, the Government of Egypt and Suez Canal revenues.

All these things are happening. It's not small - it's big. Therefore, in our concrete deliberations today, I would strongly recommend that we put our minds together as to how we work concretely and practically to deal with what is a land-based problem in Somalia, a maritime policing problem, which so many governments around this table are participating, but also a basic problem of common legal jurisdictions as well. So that those that are held to account, don't fall through legal loop holes.

So our economic engagement is in fact dense, and needs to become more engaged as well. Our security problems are real; they are there for us to act on. And then, on the maritime resource itself, the fisheries threats represented to many of the island countries are real and they are growing, and when I look at the impact of illegal fishing on some of the island economies of the Indian Ocean, this is something we have a common responsibility to work on with our partners and friends in the region.

As I draw my remarks to a conclusion, could I also draw the attention of distinguished friends and colleagues around the table to a working paper that India, and ourselves as Australia, as the incoming Chair and Vice-Chair circulated among senior officials in recent days. It outlined five or six concrete areas of future cooperation: maritime security; trade and investment; natural disaster management; technical and scientific cooperation; environmental cooperation as well as fisheries management, and on top of that, tourism, people-to-people links and culture.

Around those initiatives, we in Australia will be putting forward during our deliberations today four or five specific sets of initiatives, which we will support financially through the Australian International Development Agency to give practical effect to these areas of cooperation and I will go into the detail of those later in our deliberations.

My final remark Mr Chair is this. If we as an Indian Ocean institution share these common interests, and we wish to make sure that the Indian Ocean region is supported into the future to be a zone of peace, of prosperity and of cooperation, then I think it's important that we reflect on the importance we attach to the institution in itself. I believe in the future. We need to work to ensure that our officials are working more regularly on our agenda.

That our attendance at meetings such as this becomes increasingly at the foreign minister level across the region and I do not come to this table with clean hands as Australia. This is the first meeting we have attended at foreign minister level in 15 years, so I'm not here to preach a lesson. I'm here to confess sins and then suggest a way forward.

But, on top of that could I suggest this. The name we have given ourselves 15 years ago defies pronunciation in the English language, I'm not sure about French and I'm not sure about the other languages represented around the table as well. I was engaged recently with US Secretary of State, Hillary Clinton, in a conversation about IOR-ARC and what it does. For the first three minutes she believed I was talking about Baghdad! And with due deference to our good friends in Iraq, that was not the immediate subject of the conversation. This name that we have for ourselves is too long, too cumbersome and too unpronounceable.

If I could make a radical, blunt and characteristically Australian suggestion, which defies all protocol and etiquette, it's that in our deliberations today we should think of a name change. I am completely open to what it is, but it must be pronounceable. I see in today's newspaper, a paper I'd never heard of before - the Deccan Chronicle - it has a very nice picture of my friend and colleague, the Indian Foreign Minister, which recommends the name 'Indian Ocean Community'. I'm very happy with that. 'Indian Ocean Regional Association', IORA, I'm very happy with that. 'Indian Ocean Organisation', I-O-O or I-double-O, I'm very happy with that. The good thing about all three of them is that you can pronounce them!

I think the day that we can pronounce, and understand clearly, what our regional institution is called will be the day we will achieve a great step forward in articulating to our own countries and to the broader international community what we are trying to do in this Indian Ocean region. I am looking forward to that discussion Mr Chairman on whether there's any support for a name change and how we go about doing it.

#### BANGLADESH

Statement of H.E. Dr. Dipu Moni, MP, Hon'ble Foreign Minister of Bangladesh at the 11<sup>th</sup> Meeting of the Council of Ministers of IOR-ARC in <u>Bengaluru</u>, <u>India on 15 November 2011</u>

(Please check against delivery)

#### Mr. Chairman

I congratulate you on your assumption of the Chair of IOR-ARC. I am confident that your able guidance and direction over the coming two years, we will witness special momentum to the activities of our Association.

I thank the government of India for the warm reception and hospitality accorded to us and for the excellent arrangements made. My congratulations are also due to the Foreign Minister of Australia on his assuming the responsibility of Vice-chair of our Association. I take the opportunity to thank the government of Yemen for chairing our deliberations for the last two years. I have deep appreciation for the sincere efforts of the Secretary General for infusing dynamism into the work of the Association.

#### Mr. Chairman Hon'ble Ministers and heads of delegation of Member states, dialogue partners and observers

The Indian Ocean, the world's third largest ocean, providing passage to half of the world's container ships, one third of the bulk cargo traffic and two thirds of the world's oil shipments, is the lifeline of international trade and economy. With a population of about two billion people, technological abilities, and rich minerals, marine & agricultural resources, the Indian Ocean Rim offers enormous opportunity for the IOR-ARC members to enhance trade and investment. At the same time, the region is characterized by huge diversity in terms of culture, ethnicity, topography, development and so on. The challenge remains before us to materialize the huge existing potentials in the face of the wide disparity. It is true that we have not been fully successful in harnessing all the benefits that the Association could offer.

Over the last few years, there has already been an exercise of renewal and re-invention of the Association for it to deliver on its promises in full. Notably, we have reviewed the Charter, rules & regulations; increased frequency of meetings; adopted a clustering approach in project formulation; established special fund for complementing project funding; etc. We are now at the threshold of the 15<sup>th</sup> anniversary of our Association next year. This should allow us for an imaginative discussion on future directions for the Association. Bangladesh has a particular desire to see IOR-ARC celebrate its 15<sup>th</sup> anniversary with a clearly-marked forward journey of introspection, discovery and potential.

While we look to the future, we need to base our predictions and aspirations on the present. While the present-day world is recovering from the global recession of 2008, the global economy remains fragile. Although not responsible, the developing countries have to suffer disproportionately from these recessions which have become a periodic phenomenon. These melt-downs have a directly detrimental effect on export earnings, investment, remittance, ODA, etc of these countries. Many of the developmental achievements tend to be reversed.

We are, however, confident that our cooperation in keeping with the objectives of the Association to "promote the sustained growth and balanced development of the region and of the

Member States, and to create common ground for regional economic co-operation" would shield us from such unexpected economic upheavals. Combining our synergies and complementarities will lead us to an era of a new economic revival through innovative solutions to the current as well as emerging problems. Our strength lies in our steady but firm growth, a burgeoning middle class that is increasingly confident about its future, a large internal market working as both a manufacturing hub and a consumer base. However, most important is the need of finesse with which we need to cooperate on the basis of our adopted principle of 'open regionalism'.

In order to make a well-informed chart of navigating for the coming years, we need to exercise judgments for choosing the most appropriate course for ourselves, on the basis of a candid evaluation of our performance in the last one decade and a half. We can comfortably state that IOR-ARC has passed the test of time. However, our performance has been mixed, depending on how optimistic an observer is. An assessment of our past performance indicates that projects need to have an exclusive appeal in order to attract the interest of, and have positive impact on, the member states. We must keep in mind that many regional organizations subsuming member states of our Association have already progressed far in terms of integration and implementation of various important projects. Selection of projects under IOR-ARC, therefore, needs great care to avoid duplication and to ensure that they deliver tangible benefits to the people at large.

Our senior officials in their first bi-annual meeting in Canberra earlier this year have dealt with this issue thoroughly. We share the view that many of the projects under our Association has not come to fruition, at least, partly because of loss of focus due to apparent proliferation of proposals without adequate resources or commitment to translate them into reality. A greater level of political commitment may also be crucial to expedite progress on the projects undertaken and envisaged. There is a need to revitalize focus and prioritize in the areas of cooperation. I am happy that an exercise has already been initiated by the senior officials to identify a limited number of such areas that would merit priority attention. We are happy that completed flagship project the *Regional Centre for Science and Transfer of Technology (RCSTT)* is progressing steadily with activities in various disciplines. Bangladesh extends full support for early and full operationalization of the other flagship projects, namely, the *Maritime Transport Council (MTC)*; and the *Fisheries Support Unit (FSU)*; and embarkation of the second phase of *Tourism Feasibility Study* project. Apart from those, Bangladesh has already communicated its immediate interest in participating in projects in areas of maritime transport, trade, investment, science & technology, education, tourism and disaster management.

We believe that trade and investment are the two key areas of cooperation in our Association. In this vein, we attach importance to progress in those two areas. In spite of the temporary setback in drafting of Preferential Trade Agreement (PTA), we support continued study in this area toward the goal of conclusion of such an Agreement in future. We also wish to see progress in the drafting of the Agreement on the Promotion and Protection of Investment within IOR-ARC.

It is encouraging to note that the senior officials have been working toward simplification of the Administrative Arrangements of the Special Fund of IOR-ARC. We believe that this will contribute to greater incentives for the member states to lead effective projects. We are happy that drafting of the Terms of Reference for Academic Group has been completed and that it would serve to increase the efficacy of the IORAG. This is a delightful occasion to see the launch of the IOR-ARC web site which has been long overdue for our Association. We thank the Australian government for providing assistance in this regard.

The senior officials meeting have pertinently acknowledged the possibility of treating maritime piracy as a stand-alone area for cooperation. Piracy in the Indian Ocean has become a matter of great concern, not only for the maritime industry, but also for the governments all over the world due to its high human and economic cost. Bangladesh has been a victim of maritime piracy in the Indian Ocean and shares the concern of other countries over this menace. Last December, MV Jahan Moni was hijacked by Somali pirates south of Kochi, almost 2000 KM off the Somali coast. The extent of their reach signifies that it would be difficult to curb this menace without a concerted regional, trans-regional and international campaign. Bangladesh believes that effective port administration, well-equipped enforcement agency, judicial and legislative capacity-building as well as counter-piracy measures in the ships are some important immediate measures against piracy in the Indian Ocean. However, in the long run, creation of good order at the sea which would prevent illegal, unregulated and unreported fishing activities in and around Somali waters by other nations would be needed. The Sana'a Communiqué issued from 10<sup>th</sup> COM on 05 August 2010 supported initiatives for combating piracy in the Gulf of Aden and other parts of the Indian Ocean. Our Association may primarily conduct research, exchange expertise & information or hold experts' meeting on the subject to bridge any missing link and without duplicating work in other organizations.

It would be relevant to mention that maritime transportation is an extremely vital factor for promoting connectivity among our peoples. It is important that we promote further development of the shipping services in the member states. We may work toward establishment of a free and non-discriminatory regime by which national flag carriers and qualified sailors of one member state can have easy access to the markets of the others.

#### Mr. Chairman,

While we strive for securing economic growth, we must also take note of the common challenge of climate change that is facing us all. Climate change and sea level rise is a real threat to most of the littoral and island states of the Indian Ocean. Even after two decades of discussions and parleys, many of us are still faced with the fundamental challenge of lack of resources and technology to mitigate and adapt to the impact of climate change. We need to assess and address the risks that climate change poses to climate sensitive sectors of our countries, including water resources, agriculture, health, energy, urban planning, tourism, etc. The Sana'a Communiqué issued from 10<sup>th</sup> COM on 05 August 2010 stressed the need for greater cooperation in addressing the challenges emanating from climate change. The Regional Center of Sciences and Technology Transfer (RCSTT), which aims at facilitating transfer of sustainable technology between member states, may like to conduct research and share appropriate technology in this field under the broad area of environment. The Advisory Council of the RCSTT may like to give some consideration to this possibility.

#### Mr. Chairman,

IOR-ARC must serve as active agent of change contributing to the betterment of the lives of our people. The potentials of the Indian Ocean Rim are immense. We envisage IOR-ARC as a vehicle for a qualitative impact on people's lives and our capacity to collectively impact all others.

I thank you, Mr. Chairman.

#### **INDONESIA**

Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)

11<sup>th</sup> Meeting of Council Of Ministers (COM)

Bengaluru, 15 November 2011

Your Excellency Mr. Krishna,

Minister of External Affairs of the Republic of India

Your Excellency Mr. Kevin Rudd,

Minister for Foreign affairs and Trade of Australia

Distinguished Delegates,

Ladies and Gentlemen,

On behalf of the Indonesian Delegation, allow me to express our gratitude to the Government of India for the warm hospitality extended to us since our arrival here in the gorgeous city of Bengaluru. This city is well known as Indian center of excellence for IT. For this, we would express our special thanks to the Government of India and we hope this city's vision towards the development of IT for the benefit of people's activities will inspire us on the future course of our IOR-ARC cooperation.

Excellency, first of all, I'd like to convey warm regards from Foreign Minister of Indonesia, Dr. Marty Natalegawa, as well as his apology for not being able to take part in this important meeting, due to his engagements at home that equally important. In this regard, he also asked me to express our appreciation to the Government of Yemen for its great contribution to the development of our Association. As well, we would congratulate India for its able chairmanship in IOR-ARC, and Australia as the Vice Chair. Indonesia is confident that this collaboration of India and Australia will lead us to broaden our agenda and to deepen our intra-regional economic cooperation.

Indonesia also welcomes the rejoining of the Republic of Seychelles to IOR-ARC and hope that this inception will strengthen our cooperation in the region. Indonesia also attaches importance the more active participation of dialogue partners in our programs.

Excellency,

As a region stretching from southern part of Africa to eastern part of Australia, comprising 48 countries and home to more than 2.6 billion people, Indian Ocean region indeed has strategic values. We recall Indian Ocean as a bridge connecting Asia and Africa in which commercial activities of our merchants have established an intra-regional trading connectivity. It also encouraged our leaders to revitalize the Asia-Africa cooperation that has been inspired by the spirit of the 1955 Bandung Conference, to give more attention on economic and development cooperation. In this juncture, Indonesia views that we should take advantage of such connectivity to strengthen cooperative commitment for our common prosperity. Indonesia believes that we should response strategically challenges and opportunity offered by Indian Ocean rim as it provides potential cooperation for our future engagements. Our engagements with the Indian Ocean rim will complement the existing bilateral as well as regional measures that have been well established amongst Indian Ocean's littoral states. For this, IOR-ARC should play a greater role as it will certainly contribute to the development of our economy.

#### Excellency,

As we are all aware that when sustainably is managed, it offers livelihood in large quantity and secure our food supply. Since we live in this third largest ocean, fisheries sectors should be our special attention. For Indonesia, fisheries offer livelihood for more than 16 million traditional fishermen and their families. We are sure that with our commitment to promote cooperation on this sector, by establishing FSU initiated by Oman, IOR-ARC will be able to work together to ensure the sustainability of the marine resources especially within our ZEEs at the Indian Ocean.

Furthermore, we would like to share views expressed by Your Excellency Mr. Chairman, that understanding there are about 70% of the world's total oil product is transporting through the Indian Ocean and it also home for almost 40% of the world's offshore oil reserves, IOR-ARC undoubtedly has concrete interest on the security of sea lanes throughout Indian Ocean. It challenged our Association to play greater role in securing this important sea lanes. In this regard, and realizing the strategic significance of the Indian Ocean is economic driven; Indonesia views the importance of having ocean governance approaches that include economic, politic and security, environment, benefit sharing, research, and not less important, an ocean regime. Such approaches will put on programs and policies at the national, regional and international levels so as to bring about an effective action plan for a sustainable conduct of marine resources of the Indian Ocean.

**IOR-ARC** Secretariat

In this regard, we welcome Australia's initiative to organize Ocean Conference in Perth next 2012. Organizing this conference is indeed also emphasizing the importance of ensuring secure shipping on the Indian Ocean. As an archipelagic country located between the Indian Ocean and the Pacific Ocean, Indonesia offers international shipping routes from the Indian Ocean to the Pacific and guarantees their safety at its utmost. This cannot do only by ourselves. We need cooperation from other countries, both littoral countries along the Indian Ocean and the user. Therefore we are looking forward that the Perth Ocean Conference will discuss all ocean security-related issues to identify possible future cooperation such as strengthening our capacity building.

Mr. Chairman,

Finally I would like to recall to our agreed six priority areas of cooperation, and in this regard, Indonesia supports the works of IOR-ARC through its sub-fora as well as in putting forward its subsidiary bodies, namely Regional Centre for Science and Transfer of Technology(RCSTT), Maritime Transport Council (MTC) and Fisheries Support Unit (FSU). These three subsidiary bodies will equip our Association in driving us to a more tangible cooperation.

I thank you for your kind attention

#### **ISLAMIC REPUBLIC OF IRAN**

The Statement By;

H.E. Mohammad Mehdi AkhondZadeh

Deputy Foreign Minister for International Affairs

Islamic Republic of Iran

At the 11th Council of Ministers of the Indian Ocean Rim Association for Regional Cooperation

(IOR-ARC)

On 15 November 2011 Bengaluru- India

#### Iran

#### In the Name of the Almighty God

Mr. Chairman
Excellencies,
Ladies and Gentlemen,

It is a pleasure for me to attend this august meeting of the honorable Ministers of Foreign Affairs of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). At the outset I wish to express my gratitude to the Government of India and especially H.E. S.M. Krishna, distinguished Indian Minister of External Affairs, for excellent arrangement of this important gathering in the beautiful garden city of Bengaluru and the warm hospitality have been extended to us.

I associate my colleagues to congratulate your Excellency on the assumption of chairmanship and Australia as vice-chair of our organization. I also appreciate for the leadership provided to the Association by Yemen as chair of IOR-ARC over the last 2 years. I hope that we will witness further promotion of our cooperation and moving forward toward realization of our prime goals under the chairmanship and patronage of H.E. Krishna in the future.

I would like also to thank the Secretary General and his colleagues in the Secretariat for providing the required documents and papers and preparing the ground for making the present meeting as fruitful as possible.

#### Mr. Chairman

Economic Crisis caused by unjust global financial and economic mismanagement by certain power has created a situation that no single country could escape its negative impact on its overall development programmes. As a matter of fact, certain countries, intend to make instrumental exploitation of their international economy and political bodies in favor of their own interest.

No significant change will be expected to occur in the global economic status unless every country plays its role in reforming the present economic situation as well as the international financial and monetary structures, with respect to the decision making process, supervision and accountability as well as proper implementation of policies, and decisions within these international financial organizations.

#### Mr. Chairman, Ladies and Gentlemen,

Covering the vast area from different continents in the Indian Ocean region with huge potentials, the IOR-ARC could play a unique role in further promotion of its lofty goals. Hence I maintain that the role of the Committees and working Groups of the Association is of great importance and it is necessary that all their decisions be followed up seriously. In this regard, IORBF, because of engagement of private sector in its activities, enjoys prominent significance and The Islamic Republic of Iran is fully supportive of its decisions. I would like to endorse the suggestion of holding the summit meeting of Chambers of Commerce, and B2B meeting back to back of COM. We as decision making body of the Association have responsibility to lay the rails and pave the ground for better and smooth functions of IORBF, IORAG and WGTI.

Comprehensive and close cooperation, capacity building measures and more extensive economic activities of the member states and supporting joint R&D and technology development within the framework of the Association can play a key role in enhancing the economic stability and diminish the negative effects of shocks related to the financial and economic international crisis and also to safeguard us against unfair domineering systems. This kind of cooperation such as combating the piracy as a menace to all of us can increase the effectiveness of the member states in the global economy and international market.

The Islamic Republic of Iran is ready to extend its full cooperation in this regard. We are also fully ready to cooperate in various financial and economic areas and also in projects related to different environmental, tourist, new power generating technologies, exchange of skilled manpower and regulating the financial market within the framework of the Association.

During last few days, issues and projects related to the Regional Center for Science and Transfer of Technology Center (RCSTT), establishment of Fisheries Support Unit (FSU) and Maritime Transport Council (MTC) have been discussed and it is my sincere hope that we would witness their fruitful achievements and synergies in future.

Due to the fact that the Association has already formed its desired shape and is strong enough to be engaged in interaction with other international and regional bodies, obtaining the status of Observer at the United Nations General Assembly (UNGA) and UN's Economic and Social Council (ECOSOC) could streamline its perspective in variety of fields.

The Islamic Republic of Iran proposes that the work programs and priorities of the Association be reviewed and new issues, programs and projects will be at agenda due to the needs and interests of the member states. The programs of the Association are not defined within the long term road map. Therefore the necessity for having a long term program and Plan of Action is deeply felt. I think it is necessary to note that during the meeting of Council of Ministers in 2008 in Tehran, the plan of action of

the Association was approved and six areas of trade, financing and investment, training and technology, fisheries, tourism, disaster management and information technology were defined as priority areas for the Association. The Islamic Republic of Iran believes that the said document could be the appropriate foundation for the road map of the Association. In this regard, we propose that an Eminent Group (EG) consisting of think tankers of member states may be established to explore the possible strategy and areas of cooperation to enhance IOR-ARC in achieving its goals and objectives.

#### Mr. Chairman,

#### Ladies and Gentlemen,

The Islamic Republic of Iran, based on such belief, has always been ready to have sincere cooperation with other countries and considers that the regional arrangements are complimentary to the international cooperation and therefore will do its best to promote and expand regional treaties especially the one's related to this Association.

In other words Iran is ready to do whatever it can to strengthen the Association and promote the level of its cooperation and also facilitate rapid and successful implementation of its plans.

I am confident that, the Meeting paves the way for further closeness and adoption of common positions within this Association and other international organization more than before.

Once again, I would like to extend my gratitude to the government of India and in particular to His Excellency Krishna, the Minister of External Affairs for chairing the meeting.

Thank you for your kind attention

#### **SULTANATE OF OMAN**

#### **STATE MENT BY**

His Excellency Ambassador Talib bin Miran AIRaisi chief of economic sector, ministry of foreign affairs of the sultanate of Oman.

(COM) meeting of IOR-ARC, Bengaluru, Republic of India. NOV,  $15^{\rm th}$ , 2011

MR. Chairman.

Let me join previous speakers in congratulating your Excellency on your assumption of the chair of this  $11^{th}$  meeting of the council of ministers. I have firm believe that, under you able leadership, our deliberations will be imminently fruitful. I would like also to extend sincere thanks to the government of the republic of India for the warm reception and generous hospitality accorded to me and my delegation. I would also like to thank the government of the republic of Yemen for hosting the  $10^{th}$  (COM) meeting and to the secretariat for their coordinating efforts.

MR. Chairman, Excellency's, Distinguished ladies and gentlemen,

I would like to start my brief statement with a relevant wisdom that says: "success is in the doing, not in the getting" successful people, nations and countries accept difficulties and challenges. They adapt to them, rather than complain about them. Successful nations build good relationships and invest in those ties and common interests. Successful nations and leaders are also action-oriented. In line of action orientation, the IOR-ARIC was established to foster the economic relation and other areas of interest and cooperation in Asia.

MR. Chairman, Excellency's, Distinguished ladies and gentlemen,

Before I begin my remarks on the main topics, I believe this is an opportune moment to comment briefly on Oman and its relations with goals and aspirations. To date the Association has 17 member states with a combined population totaling close to 2 billion people inhabiting 3 continents, Asia, Africa and Australia. The member states are united by centuries old cultural and commercial bonds and shared values.

Since the Association inception, as an economic block, it has gone from strength to strength with member states actively widening and deepening areas of cooperation. Collectively, member states have in abundance, human capital and natural resources. With a sound strategic vision in place, the Association will be able to succeed in realizing its lofty objectives for the benefit of its members. We in the Sultanate of Oman support policies that will lead to greater regional economic integration and cooperation. Its Indian Ocean Rim neighbors. Historic relations that existed between Oman and the peoples of this

region, which evidence reveals were based on friendship, goodwill, respect and understanding.

Owing to the geographical proximity and longstanding cultural ties between Oman and many Indian Ocean Rim countries, commercial benefits were reaped and all these nations continue to benefit from cooperative relations.

Since 1970 numerous bilateral agreements were signed between Oman and-is Indian Ocean neighbors, in economic, commercial, industrial and cultural fields.

The sultanate of Oman along with other interested states foresaw the potential for consolidating regional relations decided to officially launch (IOR-ARC) in 1997, with modest the Sultanate continues to play an active role in the Association's tripartite structured meetings, consisting of officials, academics and the business community. The ministry of foreign Affairs regularly attends the Association's meeting at the highest and most senior levels. The sultanate also takes the lead in implementing and adopting crucial projects.

The fisheries support unit which is based in the sultanate, to date has been a very successful initiative. The unit prepares the Association's operating budget and is responsible for promoting cooperation between Member states in the management of seafood stocks.

MR. Chairman, Excellency's, Distinguished ladies and gentlemen,

Also important to the Association's success is the development of the labour intensive service sector. Lessons can be learned and drawn from Member States which have a very successful tourism industry. The development of this sector through cooperative projects will enable Member states to create the necessary conditions to transform aspirations into concrete realities.

The Association's efforts to strengthen mechanism that promote and protect the interregional flow of investment will boost investor and depositor confidence. The Association's Member states can learn from one another and also draw on other regional and sub-regional experiences to enhance and consolidate economic cooperation, trade and investment.

MR. Chairman, Excellency's, Distinguished ladies and gentlemen,

Piracy can be considered a symptom of a much wider malaise-that of persistent maritime disorder. This disorder may arise from the interplay of many factors that can be grouped under the broad headings of governance, society, and economy. Where there are imperfections in these factors or their interactions, persistent disorder can occur. This disorder can be exploited, and it is the intent and capability of the perpetrators that determines the crime. From this perspective,

the problem of piracy is just one of the potential crimes that may occur at sea...

The most effective way to end piracy of the horn of Africa would be to restore effective government of Somalia.

The pirates, like their bandit counterparts on land, thrive as a result of the political chaos in the country. An earlier outbreak of piracy in the straits of Malacca was reduced by affective international cooperation and by the negotiated settlement of insurgency. With a more coordinated, more creative7and more courageous international response, the danger of piracy around the horn of Africa also can be contained. We have the means and it can be done without major armed expeditions. What it will require is collective political will.

MR. Chairman, Excellency's, Distinguished ladies and gentlemen,

We believe that successful countries have a sense of direction and vision and have a positive altitude towards challenges economic political and all kind of challenges, and finally we have to ask our self what is next, the good news is that so much of us has to be discovered, and the best season of our life can be a head of us if we chose to make it so, because 90% of our potential is not only untapped and unused, but also undiscovered, if we only look with in us, we will find all the resources we need for real success.

I thank you all for you kind attention.

#### **KENYA**

# STATEMENT BY H,E. PROF. FESTUS KABERIA, HIGH COMMISSIONER OF KENYA TO INDIA

# ON THE OCCASION OF THE 11<sup>TM</sup> MEETING OF THE INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL COOPERATION (IOR-ARC) 15<sup>TH</sup> NOVEMBER, 2011 BENGALURU, INDIA

Your Excellency Mr. Chairman, Excellencies, Ministers, Heads of delegation Distinguished delegates, Ladies and Gentlemen,

- 1. At the onset, permit me to extend apologies of Hon. Moses Wetang'ula, Minister of Foreign Affairs of Kenya for not having made it to this Council of Ministers. He very much desired to be personally present but was not able due to unforeseen circumstances.
- 2. Since I am speaking for the first time, allow me to place on record my delegation's sincere appreciation to the Government of India and people for hosting this important forum and also for the very warm hospitality. In the same vein, may I also congratulate Australia for assuming the post of Vice-Chairman.

#### Mr. Chairman,

3. In Kenya, we do not understate the importance and great significance of global partnerships. Indeed, we have been witness to the great benefits that constructive engagement with our friends and international partners can bring to the quest to develop the standard of living of our people and other socio-economic objectives. As a founding member of this association, Kenya remains fully committed to the objectives set out in the IOR-ARC charter. We are proud to see visible progress being made in the commissioning of joint projects and undertaking of various mutually beneficial technical cooperation initiatives between partner states,

It is our sincere belief that there is still additional room for progress and further opportunity to harness the great potential of this association.

#### Mr. Chairman,

4. Kenya is encouraging and inviting researchers/scientists from IOR-ARC member states to form partnership and collaboration with Kenyan counterparts. Among Kenya's most competitive research institutions are agriculture, health, marine and fisheries, forestry and wildlife research institutions. Kenya highly appreciates the proposed programme of University mobility in the Indian Ocean Region (UMIOR) which will encourage and further facilitate exchange programmes and visits for students, professors and technical experts among institutions of higher learning in IOR-ARC member states

#### Mr. Chairman,

5. In particular, the University of Nairobi has established two Centres of Excellence; these are the Institutes of Climate Change; and the Wangari Mathaai Institute of Peace and Environmental Studies. These two Institutes will share their academic expertise and allow Members State Universities or Institutes staff to visit the Centres for exchange programmes

#### Mr. Chairman,

6. The enhancement of trade and investment between member states is crucial to the attainment of our development objectives as a region. We appreciate the great efforts taken by member countries during the meetings of the IOR Business Forum and the Working Group on Trade and Investment to work towards the achievement of these goals. Indeed, taking into account of the global economic situation that we currently face, and its origins in financial regulation, Kenya presented to the Business forum a concept paper on Regional Micro-Finance Capacity Building for consideration. We believe that efficient and effective regulation and supervision of financial institutions within the region will bring about the necessary confidence and stability that is critical to our attainment of improved trade and investment.

#### Mr. Chairman,

7. Tourism has over the years become a major driving force of the economies of most member states of the IOR-ARC. This region is blessed with the world's most unique fauna and flora and a rich heritage that has been preserved over

thousands of years. It is in this regard that Kenya presented a concept paper on cooperation on tourism for consideration by members of this association. With the assistance of the Secretariat, we hope to receive positive responses and additional views of member states on the recommendations made in these proposals.

#### Mr. Chairman,

8. Kenya fully appreciates the need for regional and global cooperation and partnerships. As a founding member of this association, Kenya remains fully committed to the objectives set out in the charter. It is however our belief that there is still scope to explore further areas of collaboration to respond to contemporary challenges and those of the 21<sup>st</sup> century for posterity to meet the aspirations of the members.

#### Mr. Chairman,

9. Kenya is keen to join researchers/scientists from IOR-ARC member states to share experiences between and amongst themselves and research institutions in various spheres including fishing and aquaculture, agriculture, health, biodiversity and other fields with the aim of addressing pressing needs for food security as well as mitigating against climate change. Indeed, skills to assist members to gain sustainably from the resources of the Indian Ocean shall be welcome.

#### Mr. Chairman.

10. Kenya would like to bring attention to the food crisis in Africa and in particular to the drought in the Horn of Africa and request that member states give priority to projects that will contribute towards enhancing food security in the region.

#### Mr. Chairman,

11. Regarding piracy off the Coast of Somalia, Gulf of Aden and the Arabian Sea, Kenya supports the establishment of the regional maritime center in Sana'a. While working towards that end, allow me to add that the situation obtaining in mainland Somalia is symbiotically linked to unending piracy. The solution to the menace in the IOR-ARC region, which is inextricably linked to global terror networks including Al Qaeda, cannot be addressed in mutual exclusion. It requires multi faceted approach and

players which will ultimately lead to peace and stability in Somalia. Hence, Kenya fully supports the UN Security Council Resolution No. 1816 of 2008 and subsequent, the African union, IGAD as well as other global efforts to deal with the insecurity in Somalia and piracy in the Indian Ocean.

Mr. Chairman,

- 12. Kenya together with the Transitional Federal Government (TFG) of Somalia and the IGAD Member States are continuously exploring various ways of addressing this challenge. It may be recalled that recent acts of Al Shabaab in Kenya, which include abduction of citizens and international visitors are a continuation of past atrocious and cowardly activities that goes back to the twin terror attacks in Nairobi and Dar es Salaam in 1998 that killed over 250 and thousands of injuries.
- 13. Under these continuous and unwarranted provocations by Al Shabaab elements, Kenya, in collaboration with the Transitional Federal Government (TFG) of Somalia deployed her Defence Forces into Somalia to protect her boarders. Kenya's single objective in this campaign is to weaken Al Shabaab infrastructure and capabilities to threaten the Kenyan territory, and contribute to overall regional peace and security for sea commerce in the Indian Ocean. We therefore appeal for support by members of this Organization to the Transitional Federal Government (TFG) of Somalia, Kenya and the IGAD efforts geared at stabilizing Somalia to achieve the aspiration of IOR-ARC, and combating piracy.

Finally, Mr. Chairman,

14. On behalf of the people of Kenya, I would like to join hands with other IOR-ARC member countries in conveying our commitment towards the realization of the Association's goals.

Thank you very much.

#### **MOZAMBIQUE**

#### REPUBLIC OF MOZAMBIQUE

#### MINISTRY OF FOREIGN AFFAIRS AND COOPERATION

Statement by His Excellency Dr. Eduardo Koloma

**Deputy Minister for Foreign Affairs and Cooperation** 

At

The XI Meeting of the Council of Ministers of IOR-ARC

Bengaluru, India, 15 November 2011

Your Excellency Dr. M. Krishna, Minister for External Affairs of the Republic of India and Chairman of the XI<sup>th</sup> Ministerial Meeting of IORARC.

# Distinguished Heads of Delegations, Your Excellencies, Ladies and Gentlemen.

It is an honour for me to have this opportunity to address the XI Meeting of the Council of Ministers of the Indian Ocean Rim Intergovernmental Association for Regional Co-operation (IORARC). Our delegation congratulates you on your assumption the chair of our Organization.

During this meeting our delegation intends to share its views with other member State on the challenges posed today to our Organization in particular and to the world in general.

I should like, on behalf of my delegation and on my own behalf, to join the previous speakers in congratulating the Government of the Republic of India on convening this important meeting and on the generous hospitality accorded to us since our arrival in this beautiful city of Bengaluru.

We are confident that this meeting constitutes an excellent opportunity to strengthen the ideals of IOR-ARC and to reinforce cooperation among its member States.

I should also like to express our gratitude to the Ambassador Morteza Sarmadi, going Secretary General of IOR-ARC for his commitment, since the last ministerial meeting, held in Sana, Yemen, to seeking adequate ways for the implementation of decisions and recommendations of our Organization. To his successor, His Excellency Ambassador Bhagirath of the Republic of India, the Republic of Mozambique assures him its full support and cooperation for a successful discharge of this important mission.

Although the IOR-ARC is a younger institution, we recognise some good realizations it has achieved in these few years of its existence. However, there are still challenges to be overcome that need particular attention of our Organization. We are referring particularly to the projection of IOR-ARC in the international institutions, such as those of the United Nations family.

In this context, we would like to congratulate the meeting of Senior Officials on its recommendation that IOR-ARC should start participating as observer in the General Assembly and Economic and Social Council of the United Nations.

On the side of the Mozambican Delegation, we would like to reiterate our availability and commitment to work together for that end.

#### Mr. Chairman, Your Excellencies Ladies and Gentlemen

The world is witnessing unprecedented crisis with a tremendous impact on economic growth of our countries, particularly of the least developed ones.

The impact of the ongoing financial and economic crisis, the problems related to food security and climate changes, as well as maritime safety pose very critical challenges to our countries. To address these global challenges, our Organization needs to rethinking its strategies in dealing with these factors.

The IOR-ARC offers a wide range of opportunities for south-south cooperation among its member States, a key tool to foster development and better integration of the region in the world economy.

#### Your Excellencies, Ladies and Gentlemen,

Despite enormous progress in science and technology and the positive impact of globalization, many counties still live under extreme poverty. In many countries, particularly in developing ones, the realization of the Millennium Development Goals is far beyond expectations. The ongoing global financial and economic crisis has accentuated the imbalances between rich and poor countries. The reduction of foreign investment in the developing countries has produced negative impact on our development efforts.

Therefore, we need more solidarity among our countries with a view to promoting sustainable development. That solidarity can be promoted trough south-south, north-south and triangular cooperation. Therefore, south-south co-operation, in our view, should focus on the creation of the necessary environment for public and private partnership in the development of infrastructures, capacity building, transfer of technology, and formation of small and medium enterprises that provide job creation.

Your Excellencies, Ladies and Gentlemen,

The marginalization of considerable segments of the population can be one of the main causes of social instability and conflicts within the countries, regions and in the world as a whole. Therefore, it is imperative to fight for inclusiveness by working together and using all means and diverse opportunities to tackle persisting problems.

In our view, sustainable development can be achieved by means of common action through which different stakeholders may share responsibility and role in the process of promoting development.

In this sense, IOR-ARC needs to develop appropriate mechanisms of interaction and dialogue with cooperative partners of development, Other crucial areas of concern to be addressed by IOR-ARC should include, in our view, international trade, climate change, reform of international institutions, such as the United Nations, World Bank, International Monetary Fund, just to name a few. Our efforts should also be directed to the promotion of full implementation of the internationally agreed goals, including the Millennium Development Goals, for the enjoyment of high standards of life by our peoples.

#### Mr. Chairman, Your Excellencies, Ladies and Gentlemen,

Reforms in IOR-ARC became crucial as a democratic process. The approval of a IOR-ARC Charter gives the Organization and member States more responsibility to tackle the challenges facing the Organization.

Today, all of us recognize the relevance of active participation of various segments of the civil society at all levels, stages and in all aspects in the peaceful settlement of disputes, as well as in promoting social and economic development. Our organization must seek to fulfil this global commitment, giving particular attention to gender equality and women empowerment as a tool for change and development.

#### Mr. Chairman, Your Excellencies, Ladies and Gentlemen,

In Mozambique we are still dealing with the severe impact of multifaceted crisis, namely food, oil and financial and economic crises.

The negative impact of those crises is on one hand, undermining the efforts to fulfil our national development agenda and, on the other hand, contributing to reverse the positive economic and social results achieved in previous years.

However, it's our perception that no country can deal with the aforementioned crises by itself. Concerted and fnultisectoral efforts are needed.

In this context, apart from seeking multilateral and global solutions, in which the IOR-ARC has a role to play, it is necessary to redesign and adapt our development policies to the current reality.

#### Your Excellencies, Ladies and Gentlemen,

Let me conclude my remarks by reiterating the commitment of the Government of the Republic of Mozambique to continue working closely with all member States of IOR ARC and all international partners for the successful materialization of the objectives of our Organization.

Thank you for your kind attention!

#### **MAURITIUS**

Statement by **Dr.** the Hon. Arvin **Boolell, Minister** of Foreign Affairs, Regional **Integration and International** Trade **of the** Republic of Mauritius

Agenda item 2 - General Debate-Statements by Ministers at 11<sup>th</sup> IOR-ARC Council of Ministers Meeting,
Bengaluru, India, 15 November 2011

Chairperson Hon. Ministers

Distinguished Representatives of Dialogue Partners (UK, France, Egypt, China, Japan) and of the Observer Organisation (the Indian Ocean Tourism Organisation and the Indian Ocean Research Group) Distinguished Delegates

I wish to express my profound gratitude to the Government and people of the Republic of India for the warm welcome extended to the Mauritian delegation in Bengaluru.

#### Excellencies

This meeting comes at an opportune time as member-States work closely together to enhance their capacity to deal with natural disasters, illicit trade and trafficking, and other scourges such as terrorism and piracy.

As we are aware, piracy in the Gulf of Aden and in the Indian Ocean remains a serious and continuing threat to the interests of the EU, as well as Asian and the African States and SIDS in the region. Each year more than 25,000 cargo vessels pass this sea route and the Suez channel – the main passage between Asia and the Mediterranean which primarily serves European trade. Since the past 4 years, we have noted with concern a considerable increase in the number of pirates' attacks on cargo vessels in the Gulf of Aden and off the coast of Somali. This has definitely an impact in our economies - on imports and exports of goods by sea, port activities and cruise ship calls, the fishing and fish processing industry and the tourism sector.

Estimates pin the financial loss caused by piracy at several billion US Dollars each year. Lately, it has been noted that pirates have been forced to operate further offshore in the Indian Ocean, sometimes 1,000 nautical miles off the coast of Somalia. We support the international community to the fullest possible extent in the repression of piracy and we are committed to deal with the problem effectively.

Following last year's Regional Ministerial Meeting on Piracy hosted by Mauritius, a Regional Strategy and an Action Plan for combating piracy and promoting maritime security has been adopted. The focus is now on the implementation of the Regional Strategy and the Regional Action Plan and the IOR-ARC certainly has a role to play.

Mauritius also considers that an important aspect in the fight against piracy is the effective prosecution of suspected pirates captured in the course of operations. In this regard, Mauritius signed on 14 July 2011 with the EU an Agreement defining the conditions and the modalities for the transfer of suspected pirates

from the European-led Naval Force for investigation, prosecution, trial and detention in Mauritius, transfer of associated property seized and the treatment of such persons.

#### Dear Friends,

I am proud that the IOR-ARC was formally launched at the First Ministerial Meeting held in March 1997 in Mauritius. The organization's main objective is to create common ground for regional economic cooperation with a view to promoting sustained growth and development. The IOR-ARC has been designed for all stakeholders to play a proactive role in the process of regional economic cooperation. Right from the beginning, the private sector and the academia have been involved in the Association.

With the reforms undertaken lately, including the revision of the IOR-ARC Charter, the regional cooperation process should move forward at a faster pace. As one of the founding members of the IOR-ARC, Mauritius is keen to see the Association realize its full potential for the benefit of all its Member States and their populations.

#### Excellencies

There is no doubt that all the countries of the Indian Ocean will benefit from increased partnering within the region which has a vast potential not yet fully unlocked. These are the few words of orientation I wanted to share with you. I hope that we would have fruitful discussions at Council level.

I thank you, Chairperson.

#### **MADAGASCAR**

#### STATEMENT OF THE MALAGASY HEAD OF DELEGATION OF COM

Mr Chairman,

Excellencies.

Respected Delegates, Ladies and Gentlemen,

First of all, I take this opportunity, on behalf of my Government, my delegation and myself, of thanking the Republic of India for the warm reception, excellent arrangement made for this 11<sup>th</sup> meeting of Council of Ministers of IOR-ARC.

I would like to thank Yemen for its two years of chairmanship, and congratulate India for being Chair and Australia for being Vice-Chair.

Mr Chairman.

I am glad to note the progress realised in some projects.

As far as Madagascar and IOR-ARC cooperation is concerned, because of its political context, Madagascar is not on the same level of commitment as the other member countries. Nevertheless, the current Government has always been searching for solutions against this crisis.

Indeed, on 16 September 2011, the document regarding the same was signed by the different political parties in Madagascar, and a consensual Prime Minister was appointed, who will soon form his Government members. This new Government's main task will be the conducting of the different democratic elections, which will take place as early as possible.

Mr Chairman,

The Secretariat of IOR-ARC has always informed Madagascar of its different activities and programmes (Bi-annual meeting of CSO, meetings of IORBF, IORAG. RCSTT, and Fisheries etc...) but its financial aspects prevented my country from participating for the moment, especially at the technical level.

But. as Madagascar is about to return to the normalisation thanks to the efforts deployed by the current Government to resolve the political crisis, the different projects which involve the coordination of Madagascar and which need Special Funds such as "The Support for the Development of regional tourism and for the facilitation of investment in tourism", "The Support for the creation of a Special Fund for Tourism", "The Sharing information, experience and transfer of Technology in the region", "The Trade and Investment Facilitation", The Impediments to Trade and Promotion of Trade within the region", "The Implementation of Aid for Trade", will certainly soon have some progress.

Mr Chairman.

Madagascar has always conformed to the IOR-ARC rules. My country is still willing to contribute to the development of our Association.

Mr Chairman, Excellencies, Respected Delegates, Ladies and Gentlemen,

To conclude, I would like to express my deep satisfaction to the efforts made by each member country to develop our Association, and encourage all members for further commitment for common interests.

I thank you for your kind attention.

#### **MALAYSIA**

# STATEMENT BY Y.B. DATUK RICHARD RIOT ANAK JAEM DEPUTY MINISTER OF FOREIGN AFFAIRS, MALAYSIA 11<sup>th</sup> IOR-ARC COUNCIL OF MINISTER'S MEETING BENGALURU, 15 NOVEMBER 2011

Mr Chairman, Excellencies, Ladies and Gentlemen

At the outset, I would like join my other distinguished colleagues in expressing our deep appreciation to the Government of India for the warm hospitality accorded to me and my delegation. We wish to thank you also for the excellent arrangements of this gathering of IOR-ARC in this beautiful city of Bengaluru.

- 2. Allow me also to congratulate the Government of India on the successful hosting of today's IOR-ARC Council of Ministers' Meeting. Surely, our meeting today, is a manifestation of our continued commitments towards taking our organisation to greater heights.
- 3. I would also like to take this opportunity to congratulate India and Australia for assuming the Chair and Vice-Chair of IOR-ARC respectively, as well as thanking Yemen for the remarkable job it has done over the last two years as the Chair of IOR-ARC. Malaysia is also delightful to welcome the Republic of Seychelles to the IOR-ARC family.
- 4. As an organization that has been in existence for 16 years, Malaysia feels that there is a greater sense now, for IOR-ARC to become more than a platform for sharing ideas. IOR-ARC has the capacity to serve as a vehicle towards producing tangible results which would have qualitative impact on people's lives. It can also become an important mechanism to help respective member countries achieve their national development agenda.

Mr. Chair, Ladies and Gentlemen,

5. In this regard, IOR-ARC should focus its attention towards coming up with more practical programmes and initiatives, that are based on the existing principles of open regionalism and consensus. While we need to act with decisiveness and speed towards that direction, Malaysia is of the view that it has to be done based on the voluntary spirit of participation and respectively in accordance with the members' ability and capacity.

Mr. Chair, Ladies and Gentlemen.

- 6. Malaysia attaches great importance to all IOR-ARC initiatives and our focus so far has been in the area of trade and investment, construction, education, science and technology. On this note, I am pleased to inform this meeting that Malaysia is ready to share its experiences with other member countries in these fields through the Malaysian Technical Cooperation Programme (MTCP). Currently, almost all Member Countries of IOR-ARC are participating in the MTCP.
- 7. In the area of trade. Malaysia's trade with IOR-ARC member countries amounted to USD112 billion in 2010, which represents 30.9 percent of Malaysia's total trade. This is an increase of close to 17 percent as compared to 2009.
- 8. In the area of education, National University of Malaysia (UKM) has tabled the proposal to establish the IOR-ARC Center for Multilateral Education at UKM. In this regard, I am delighted to

inform this meeting that UKM will be organising the First Meeting on the Establishment of Center for Multilateral Education from 14 to 16 February 2012 in UKM Campus, Malaysia.

- 9. Malaysia also welcomes the cooperation with the Regional Centre for Science and Transfer of Technology (RCSTT) and looks forward to working together. Malaysia is fully aware of the importance of science and technology transfer and we therefore support fully such initiatives. Nonetheless, these initiatives, similar to other cooperation programmes, should always take into consideration the abilities and capabilities of the respective member states, and should not bring about additional burden.
- 10. On the subject of piracy, Malaysia supports any action taken to overcome this problem in the Indian Ocean. However, Malaysia believes that the primary responsibility for dealing with piracy and armed robbery against ships should remain with the littoral or costal states and that, regional and international cooperation in combating piracy should not undermine sovereignty and territorial integrity of these very countries. Therefore, Malaysia continues to welcome cooperation in terms of capacity building, as well as exchange and sharing of information in combating piracy.

Mr. Chair, Ladies and Gentlemen,

- 11. In the past one year, we have witnessed a number of disasters which has greatly affected the lives of many people and the development of those countries. Among the IOR-ARC Member States affected, we share the grief of devastation of countries such as Indonesia, Kenya, Thailand and Sri Lanka that have undergone such very difficult times.
- 12. In this regard, Malaysia remains committed to disaster risk reduction (DRR) initiatives and continues to extend humanitarian assistance within our means to alleviate the hardship of those affected. Malaysia also strongly believes that it is important to coordinate the prevention and preparedness efforts by countries in the region through establishing a more effective early warning system that would focus on all types of natural disasters. At the same time, Malaysia stands ready to share information on its early warning system and measures with other neighbouring countries.
- 13. Lastly Mr. Chair, Malaysia fully shares and acknowledges the concern expressed by member states on the constraints and setbacks about IOR-ARC's under achievements. We believe that this can be addressed if member states take concrete steps to address these issues collectively. Therefore, I am certain that intensified consultations among Member States would contribute to closer co-operation and coordination of IOR-ARC Member States. To this end, Malaysia looks forward to working together with IOR-ARC Member States in achieving the tangible targets of the organization.
- 14. With that, thank you very much for your attention.

#### **SEYCHELLES**

Speech by Minister for Foreign Affairs of the Republic of Seychelles, Mr Jean-Paul Adam on the occasion of the 11<sup>th</sup> Meeting Of Council of Ministers of the Indian Ocean Rim Association of Regional Cooperation, Bengaluru (Bangalore), 15<sup>th</sup> November 2011

Chairman, H.E Mr. S.M Krishna, Minister of External Affairs of the Republic of India, Vice Chair, H.E Mr. Kevin Rudd, Minister of Foreign Affairs of Australia, Outgoing Chairman, H.E Mr. Abu Bakar AM Quirbi, Minister of Foreign Affairs of Yemen Excellencies, ladies and gentlemen,

Seychelles is very proud to be here today to be able to rejoin its friends and neighbours in the Indian Ocean Rim Association for Regional Cooperation. As a small island developing state, the Indian Ocean Rim represents for us our conduit for our development in partnership with our region.

The Indian Ocean is our platform that can allow a small state such as ours to be able to better weather the vagaries of globalisation. And it is clear that we cannot turn globalisation into an opportunity without working closely with those with whom we share this ocean.

I would like to seize the opportunity to thank our hosts, the Government of India, the city of Bangalore (Bengaluru) and the State Government of Karnataka for the warmth of their hospitality and their welcome. To have this meeting in the Silicon Valley of India is symbolic of the global power already being wielded by our region, as well as a further reminder of the opportunities for increased cooperation amongst ourselves.

I would also like to congratulate the Government of Australia on assuming the Vice Chairmanship. As Australia looks West, we KNOW that we can strengthen the bridges across our ocean.

Let me also salute the work of the Government of Yemen for its work as outgoing chair of this organisation.

Excellencies, ladies and gentlemen,

1 would like to thank all member states of IOR-ARC and all ministers present today for their support for Seychelles to be re-admitted as a member. We are touched by your solidarity and support, and we are determined to work with you as a committed and reliable partner.

The need for cooperation among states of our region is more relevant than ever. We all may be members of other regional groupings, but the Indian Ocean connects us In a fundamental way that goes beyond political groupings.

It is a shared space that we must work together to use positively and productively.

The Indian Ocean is also a space that connects us to the world. It is a critical space for world trade. Over two thirds of the world's shipped oil goes through the Indian Ocean, and over half of the world's container traffic.

One of the biggest challenges we face is that of maritime piracy off the coast of Somalia. This is an Indian Ocean problem, and a global problem.

The cost of insurance for shipping is becoming unsustainable. Ultimately it is consumers that suffer the most, and we are all conscious of the threat of rising commodity prices, particularly for our region.

Piracy has challenged our ability to secure the Indian Ocean. It has challenged our ability to protect and develop our maritime resources, and our oceans as highways for trade.

We need to do everything in our power to ensure that our ocean can continue to connect the world. It must be a development space and not a space for anarchy.

Allow me to stress a few points that we must pursue to ensure that the problem does not further spiral out of control:

- 1) We need more engagement on Somalia- with more resources for institution building as well as more efforts in ensuring security on the land
- 2} We must ensure that the response to piracy is robust- both in terms of maritime intervention, and in terms of prosecution of pirates- we must end the sense of impunity associated with piracy- and we need more support for the littoral states to do this.
- 3) We must go after those who are financing piracy. If we are able to disrupt those who are attempting to make a profit from criminal gains, we will be tackling the problem at the highest level

On this point, I would like to thank the Government of India for its determined and proactive actions in the fight against piracy, and we also look forward to the proposed meeting on piracy that the Government of Australia has offered to host next year. Seychelles is being very proactive in the fight against piracy-including through the prosecution of pirates and the setting up of a regional intelligence sharing centre with the support of the IMO. I must also take this opportunity to recognise the strong support of the United Arab Emirates in the fight against piracy with the opening of a new Coast Huard Base for Seychelles last Friday equipped with long range radar.

Mr. Chairman, ladies and gentlemen,

For island states such as ours, the Indian Ocean is also a key part of our economic pillars, whether it be tourism or fisheries. The Blue economy is key to our development. And in Seychelles, we are always conscious that without environmental protection- these two pillars can become worthless overnight. Our cooperation in the Indian Ocean must also look at the key environmental challenges that we share. We are one of the few oceans that still have viable fishing grounds- but without proper action against illegal and unreported fishing, we will make the same mistakes as others have done before.

We welcome the setting up of a fisheries support unit in Oman which will contribute enormously to improve our cooperation in this sector.

Seychelles has taken the unprecedented step to declare 50% of its land territory as protected areas- the highest proportion in the world. We are also looking to improve and strengthen protection of our marine protected areas.

Through cooperation amongst ourselves on conservation, climate change adaptation and other and environmental issues, we can create new opportunities for tourism development, while also redefining the concept of sustainable development for the benefit of our peoples.

#### Mr. Chairman,

We believe that IOR-ARC offers a framework for coordination and cooperation which encompasses our whole region- and which can build on the experiences and practices of other sub-regional groupings. Seychelles has recently taken up the chairmanship of the Indian Ocean Commission- a grouping of the islands of the South Western part of our ocean.

The IOC has already established strong cooperation programmes in terms of the environment and maritime trade and security which go beyond its membership. IOR-ARC can play a critical role in ensuring that best practices are shared over a wider sphere.

It is to be noted that a key component of sustainability is energy security. Despite the fact that our region does produce large quantities of oil, all of our countries are still badly

affected by fluctuating energy prices. Renewable energy offers us an interesting perspective both as a means of sustainably addressing our energy needs, and also creating new business, investment and trade opportunities within our region.

Mr. Chairman, Excellencies,

Once again I would like to express our appreciation to all present for their support for Seychelles' readmission,

This organisation is a natural home for us. And being in the middle of this ocean, we connect the rim with its centre. We are so pleased to be here, and we look forward to working with all partners in the future.

Thank you for your attention.

#### **SINGAPORE**

# SPEECH BY THE SINGAPORE MINISTER OF STATE FOR FOREIGN AFFAIRS, MASAGOS ZULKIFLI

Excellencies

Distinguished Delegates

Ladies and Gentlemen

I am delighted to be here today in Bengaluru, to attend the 11<sup>th</sup> Meeting of the Council of Ministers. I want to take this opportunity to thank India for the excellent arrangements and warm hospitality. It has been more than 10 years since I last visited Bengaluru. Even as Bengaluru has transformed into a thriving metropolis that is host to Indian and international companies, it has nonetheless maintained its greenery and charm. I wish to congratulate His Excellency Shri Krishna for the choice of this city of Bengaluru for the Meeting.

Singapore would also like to welcome back Seychelles to IOR-ARC. We look forward to India as Chair and Australia as Vice-Chair to steer the organisation forward in the next few years.

It has been 14 years since IOR-ARC was first launched in Mauritius in March 1997. The organisation was initiated with the vision to promote growth and development of the region, with a particular emphasis on economic co-operation among the countries of the Indian Ocean Rim.

Like many proponents of global free trade, Singapore hopes that IOR-ARC can continue to focus on growing trade links and reduce barriers to intra-regional trade flows among the Indian Ocean Rim countries.

We should acknowledge the inherent diversity of IOR-ARC membership, which is a strength in itself. It provides the opportunity for different states to come together to network and discuss issues of common interest. To that end, we should be patient and careful in growing the organisation, to ensure that the pace is at a level comfortable to member states and that IOR-ARC continues to resonate as a useful forum, for instance, for networking purposes. Singapore is committed to playing a constructive and meaningful role in IOR-ARC.

It remains important for us to constantly fine-tune the organisation's mechanisms, and to streamline the array of activities and projects that have so far been proposed by various members. The adoption of the IOR-ARC Charter at the 10<sup>th</sup> Council of Ministers Meeting last year was a timely exercise. Following the First IOR-ARC Bi-Annual Meeting of the CSO in March this year, member states had also exchanged views on the priorities and work programmes for the organisation. We should regard the review of work programmes as an ongoing exercise in order to be mindful of not over-stretching our collective resources.

Excellencies, Distinguished Delegates, Ladies and Gentlemen. To move IOR-ARC in this direction, I suggest that members could consider using the Council of Ministers as a platform to be forward-looking and to focus discussions on common global challenges, such as food security and capacity building, with the aim of sharing common concerns and experiences.

On Singapore's part, we continue to welcome member states to participate in our Singapore Co-operation Programme. This is a programme which Singapore started in 1992, where we offer technical assistance in various areas where we have developed some experience in the course of our own development, such as in human resource, public administration, aviation and trade development. Singapore has to date hosted over 15,000 SCP participants from the various IOR-ARC countries.

Going forward, we will be organising courses on "Enabling Private Sector Growth and Attracting FDIs" in from 9 - 18 January (9 - 18), "Human Resource Management in the Public Sector" February and "Chief Information Officers Training Programme on the Strategic Management of IT, both in February (6 - 17 & 13 - 24 respectively). We encourage member states that are interested to participate.

In conclusion, I would like to reiterate my thanks once again to our host, the Government of India and the state government of Karnataka, for bringing us here to the historic city of Bengaluru.

Thank you.

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#### **SOUTH AFRICA**

Statement by Deputy Minister Ebrahim General Debate at the 11<sup>th</sup> Council of Ministers' Meeting of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) 15 November 2011, Bengaluru, India.

Your Excellency, Minister Krishna,

Your Excellencies, Ministers representing the Member States of the IOR-ARC,

Your Excellencies, Ambassadors and High Commissioners,

Your Excellency, Ambassador Sarmadi, Secretary-General of the IOR-ARC

#### **Ladies and Gentlemen**

It is a great honour for South Africa to have been invited to the 11<sup>th</sup> Council of Ministers meeting of the Indian Ocean Rim Association for Regional Cooperation.

I wish to convey the South African delegation's sincere appreciation for the exceptional hospitality that we have enjoyed in this historic palace which symbolises our shared regional heritage. At the same time we are gathered in the modern and vibrant technological city of Bengaluru, which we as the IOR-ARC Member States also take pride in as our inspiration to leapfrog into a shared prosperous future. When I witness the accelerated technological developments in India and this city in particular, I can see a bright future for the next generation of people of the Indian Ocean Rim.

Unfortunately, due to obligations related to her duties as President of COP17/CMP7 over the next few weeks, Minister Nkoana-Mashabane could not attend this meeting, but asked that I please convey her warmest wishes to the Excellencies representing the IOR-ARC membership here today to conduct a most fruitful meeting.

Please allow me to also extend our warmest appreciation to Yemen, as the outgoing Chairperson of our organisation, for its tireless efforts to further strengthen our collective resolve to build this Indian Ocean Rim organisation and community. May I also extend our warmest congratulations to India and Minister Krishna as the incoming Chairperson, as well as to Australia and Minister Rudd as the incoming Vice Chairperson. Please rest assured that South Africa is keen to work with India and Australia, as well as the other Member States of the IOR-ARC, in their quest to take the association forward, we are convinced that under your most able leadership our organisation will further consolidate and deepen our various vibrant exchanges.

It is also a great pleasure to welcome back into the organization our brothers and sisters from the Seychelles. Their country forms a fundamental part of the Indian Ocean Rim and together we look forward to further strengthening the Rim to the benefit of all.

I also wish to convey our warm appreciation to Secretary-General Sarmadi and the Secretariat for the excellent support they have provided to our work programme.

The relevance of the IOR-ARC has never been more poignant at this time due to the various challenges facing not only its membership, but also that of the broader international community.

I am reminded of former President Nelson Mandela's words in 1997 when our organisation was founded where he stated that and I quote:

"The natural urge of all the facts of history and geography should broaden itself to include the concept of an Indian Ocean Rim for socio-economic cooperation and other peaceful endeavours".

Mr Chairperson, the IOR-ARC has played and continues to play a crucial role in fostering closer cooperation in multiple areas between the countries bordering the Indian Ocean. It is therefore of cardinal importance that we seriously contemplate the future of the IOR-ARC and the pillars on which the IOR-ARC are built. We all recognise that the world as we know it, is undergoing profound changes across a broad spectrum, ranging from financial, security, development and inclusive growth challenges, food shortages and the ever present climate change question. These challenges will have a direct influence on us all and it is therefore my wish and that of the South African government that this association of Ministers meeting will reflect on these issues and thereby allow the IOR-ARC to make the appropriate contributions we as Member States expect.

We deeply value institutions where our people to people cooperation can prosper alongside that of our governmental exchanges.

#### Mr Chairperson

We are aware that the various sea routes of the world are the main conduits for our international trade and safety, therefore considerations in this regard are paramount to ensure increased global trade, notably from an African perspective. The AU Ministers of Maritime Transport resolved to work together for the realisation and implementation of various United Nations (UN) Resolutions relating to maritime transport safety and security. They also further resolved to promote and support regional and sub-regional coordination and monitoring of activities aimed at improving maritime safety and security in Africa. In the context of the SADC, we are currently finalising our Maritime Anti-Piracy Strategy.

As an expanding economy, South Africa as well as other countries, wish to grow the size of its market for its products and services, among others, through increasing market opportunities in the global economy especially in the emerging markets and growth poles. The past decade has underlined the rise of new dynamic markets notably such as that of India, and other rapidly growing developing economies in the Rim. As demonstrated, even during this period of financial hardship, the dynamism of the emerging economies is driving progress with a substantial part of global GDP growth and trade being on account of these countries and their trade. I am cognisant that certain Rim countries are already strategic trade partners and we should continue to provide impetus to develop such exchanges among our Member States.

Our Government will work to ensure that South Africa continues to relate to the Indian Ocean Rim as well as traditional and new partners in a manner that best supports our future growth trajectory. Our development process require special policies and measures considering developmental challenges such as unemployment and income disparity both within South Africa and our region.

Chairperson, I trust that the reports that will be presented to us today by the representatives of the different committees and working groups will contain positive and applicable suggestions on the way forward.

In closing it would be remiss of me not to mention that South Africa will be hosting 20 000 people from all over the world for the 17<sup>th</sup> Conference of Parties to the UN Climate Change Convention (UNFCCC) and the 7<sup>th</sup> Conference of Parties serving as the Meeting of the Parties (CMP7) to the Kyoto Protocol over the next few weeks in Durban, an Indian Ocean port city. Climate Change is a component of sustainable development. It is about finding a balance between the imperatives of socio-economic development and meeting the needs of our people (on the one hand), and protecting our environment (on the other). The issues that will be deliberated at this meeting also have bearing on the work programme of this organisation and South Africa would appreciate your support to achieve a successful outcome at this meeting.

I would also like to thank the Government of India for the generous contribution of 1 Million USD they have pledged to the IOR-ARC Special fund.

I wish to convey our sincere appreciation for the contribution of India to the special fund.

Excellencies, let us all come together and work for a better future to secure the sustainable development of our beloved planet, including its rich resources such as the Indian Ocean, in the interest of humankind and future generations.

I Thank you.

# **SRI LANKA**

Address by Hon. Dr. Sarath Amunugama, Senior Minister of International Monetary Cooperation of the Government of Sri Lanka and the Head of Delegation of Sri Lanka to the 11th IOR-ARC Council of Ministers Meeting, Bengaluru, India, November 15, 2011

Chairman, Excellency S.M. Krishna, Excellencies,

Distinguished delegates,

Ladies & Gentlemen,

It is indeed a privilege to be in this beautiful garden city of Bengaluru for the 11<sup>th</sup> Council of Ministers Meeting of the IOR-ARC.

I wish to place on record here our thanks to the Government of India and to the Karnataka State authorities for the excellent arrangements for this Meeting and for the warm hospitality extended to us.

The importance of the Indian Ocean and its littoral and small states needs no exaggeration. It is the 3<sup>rd</sup> largest ocean, and the Indian Ocean Rim countries provide habitation to 1/3 of humanity.

In terms of economic value, the Indian Ocean is endowed with a large reservoir of energy, valuable minerals and food resources. It accounts for about 40 per cent of world's Gold, 90 per cent of Diamonds, and 60 per cent of Uranium. At the moment, most of this wealth remains either unexploited or is traded as raw material. The Indian Ocean also carries half of the world's container shipping, 1/3 of bulk cargo traffic, and 2/3 of oil shipments. Sri Lanka's new port at Hambantota lies in close proximity to these sea lanes.

Mr. Chairman,

The IOR-ARC provides a forum for our countries to come together within the open regionalism framework to pursue trade liberalization, trade and investment facilitation and sectoral cooperation since there are common interests among our nations apart from sharing a common Ocean.

Mr Chairman,

Sri Lanka has been a committed member of this organization and has always encouraged the process of dialogue for decision making. The various recommendations made by the Indian Ocean Rim Business Forum and Indian Ocean Rim Academic Group need serious consideration in order to make our organization more vibrant.

Mr Chairman,

We need to be mindful that our organization is based on the concept of open regionalism. Thereby we encourage Member States to engage in voluntary action and cooperation in bringing the region together. Thus there is an urgent need for us to identify common areas of interests and provide leadership to further those interests. I wish to dwell on some such areas for your consideration.

Mr Chairman,

As I stated earlier, the Indian Ocean is known to contain natural resources, which are yet to be fully utilized. The exploitation of these resources requires careful monitoring and dedicated inter-States collaboration. In this process, maintaining the integrity of the regional environment is one of the most important common interests of the Indian Ocean littoral and small Member States. Observing and managing the environmental

impacts of human interactions on marine ecosystems are essential both for resource conservation and human security in the Indian Ocean Region. Fostering cooperation at all levels of governance in order to minimize environmental insecurity and climate change related risks, particularly disaster management should be a critical policy objective for us.

Let me focus on four areas where we should work together.

Firstly, promoting regional tourism in the Indian Ocean should be highlighted. Tourism promotes people-topeople contacts, enhances appreciation of each other's cultures, reiterates the concept of pluralism, and strengthens the viability of both local and regional economies.

Secondly, the threat posed by climate change needs serious consideration by our Membership. Like the land mass contiguity among nation States, the ocean also connects countries. Therefore, it is imperative that we maintain a healthy and environmentally sustainable Indian Ocean. Climate change and global warming is not only a possibility but an urgent necessity.

Thirdly, piracy in the Indian Ocean has become a serious concern for the Member States of IOR-ARC. Our Association could be a good platform for cooperation in eliminating this growing menace.

The effective utilization of Ocean resources, biodiversity, and biosecurity could open a new chapter in enhancing food security for humanity. Protection of Ocean resources and developing new ways of using them to stimulate economic growth should be systematically and collectively dealt within the ambit of the "Blue Economy" concept, which will increasingly come to the fore in the future.

It was only the other day that the world population reached 7 billion. The world's land-based food and mineral resources are being depleted at a rapid rate. A focus on the Blue Economy is badly needed because it is only the untapped resources of the ocean that can now come to mankind's rescue.

Sri Lanka mindful of such potential has proposed the establishment of a Centre of Excellence on Ocean Sciences and Environment. The Sri Lanka government has endorsed the establishment of such a Centre which is dedicated to fundamental and applied research on various aspects of Ocean Sciences and Environment. The preliminary Concept Paper on the establishment of Centre has been circulated for the consideration by the Member States. We intend to utilize the best minds in our region to work at this Centre.

#### Mr Chairman,

The other important areas which we should put our heads together is how best we could augment intraregional trade. Recent estimates have shown that intra-regional trade amongst the IOR-ARC Member States to be in the region of 20-25 per cent, which is a fairly significant figure. As we discuss improving trading within the region, we should also consider various aspects connected with trade facilitation. Towards this end, Sri Lanka will be hosting a Asia Pacific Trade Facilitation Forum in 2012 in Colombo. 50 per cent of our membership belongs to the Asia Pacific Region. The Asia Pacific Trade Facilitation Forum wishes to have a wider reach by bringing the non-Asia Pacific IOR-ARC Member States. Sri Lanka believes such a Forum would bring the harmonization among the other regional organizations such as ASEAN, SAARC and BIMSTEC together with UNESCAP.

In the recent past we have witnessed the proliferation of regional organizations. That is a positive sign of ensuring regional cooperation, especially at a time when the global North is facing a financial crisis and a possible double dip into recession. Nonetheless, we also need to encourage greater interaction among such organizations within a wider regional approach and IOR-ARC is well positioned to do so.

Thank You.

#### **TANZANIA**

STATEMENT BY HON. SAMUEL SITTA, THE MINISTER OF EAST AFRICAN COOPERATION AND HEAD OF DELEGATION OF THE UNITED REPUBLIC OF TANZANIA TO THE 11<sup>TH</sup> MEETING OF THE COUNCIL OF MINISTERS OF THE INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL COOPERATION (IOR-ARC), BENGALURU, REPUBLIC OF INDIA, 15<sup>TH</sup> NOVEMBER, 2011

Honourable Shri. S.M. Krishna, the Minister of External Affairs of the Republic of India, Chairperson of the Council of Ministers and our distinguished host,

My dear Colleagues;

Heads of Delegations of the Committee of Senior Officials,

**Dialogue Partners**;

**Distinguished Delegates**;

**Invited Guests,** 

Ladies and Gentlemen.

Greetings from the land of Kilimanjaro, Serengeti and Zanzibar.

Permit me at the outset on behalf of my delegation to express our profound gratitude and sincere appreciation through you Minister Krishna, to the people and Government of the Republic of India for the generous hospitality accorded to my delegation since our arrival in this beautiful city of Bengaluru. The excellent conference facilities made available leave us with no excuse to fail in the conduct of this 11<sup>th</sup> Council Meeting.

#### Mr. Chairperson,

We have just witnessed a change of guard in our organisation's leadership. I wish to congratulate and welcome the Republic of India for assuming the Chairmanship. May I also take this opportunity to congratulate the Government of Australia for assuming the seat of Vice Chair.

I wish each of you success in steering our Organisation.

Congratulations to the Government of the Republic of Yemen the outgoing Chair, for the very good work you have done during your tenure. Despite a number of challenges we have achieved a lot. The remaining tasks will no doubt be carried on by your successor.

To Ambassador Morteza Samardi the outgoing Secretary General we thank you for your exemplary work and wish you success in your future.

#### Mr. Chairperson,

We are happy to warmly welcome back our sister nation of Seychelles. The decision by the government of Seychelles to rejoin this Organisation is a clear demonstration of the relevance of the initiatives of this organisation to its members and thus Seychelles readiness to cooperate with all of us is warmly welcomed.

#### Mr. Chairperson,

Our Organisation has come a long way in terms of making decisions and recommendations, identifying avenues of cooperation as well as (projects) in areas of Trade and Investment, Academic Affairs. Through the Business Forum we note a strong desire to bring about economic growth to our region. My appeal is that this desire and momentum be strengthened further by the new leadership of which I wish to assure you of my government's full cooperation.

#### Mr. Chairperson,

As we meet here today there is no doubt that we all continue to take cognisance of the importance of this cooperation. However what is also noticeable is that there is very slow progress in the implementation of the agreed projects quite often forcing our organisation to take the really undesirable steps of withdrawing such projects.

This is a worrying trend and my delegation observes that the situation calls for our serious attention. As we seek to address a number of agenda items before us today lets us also focus on the issue of slow implementation as a challenge to us and see how best we can revitalize the workings of our organisation so that the serious decisions that we take are implemented. We may need to ask ourselves why the challenges on the implementation of the Charter are continuing despite our earlier review of the rules of procedures of running our organisation. Is it because of member states' multiple membership in a number of regional organisations or lack of political will among Member States? Whatever it may be the case my appeal is that we need to address this matter seriously and comprehensively without any further delay if Member States are to obtain full value of this Association to its fullest potential.

#### Mr. Chairperson,

In this regard my delegation would wish to propose the following; Firstly, strengthening the organisation's membership by focusing on how best decisions could be more binding on Member States. Secondly, since most of our countries belong to one or more regional groupings or organisations we can use these experiences to address the number of challenges facing this Association while at the same time strengthening cooperation in a few strategic areas that show progress such as in the areas of the Maritime Council, Fisheries Support Unit and in the area of Peace and Security specifically in Combating Piracy.

Thirdly, another area is on the Special Fund; since this Fund needs to be accessed by all Member States we propose that contributions to the Fund becomes mandatory so that we all feel obliged to pay and are able to utilise it as per agreed rules of procedures.

#### Mr. Chairperson,

As we strive to put the various projects in place, let me congratulate the Australian Government for her great contribution towards the putting in place the Organisation's website. This important step by

Australia is a positive move that will enable the Secretariat to bring the Organisation closer to its own people and to the international community at large.

Our special thanks also go to the People's Republic of China, our Dialogue Partner for her very valuable contribution to the Special Fund. Their gesture serves to remind us Member States of our obligation to this Fund and should be a catalyst to kick-start delayed disbursements and projects.

#### Mr. Chairperson,

In conclusion let me once again thank the government of the Republic of India for their noble tradition of generosity and courtesy of their guests. Allow me also to appreciate the commendable work done by the outgoing Secretary General and the Secretariat in working tirelessly to ensure our organisation achieves its desired goals.

The United Republic of Tanzania stands firm in its commitment to cooperate with the Chair of IOR-ARC and all other relevant stakeholders in our joint efforts to achieve sustainable economic growth and development in the Indian Ocean Rim Region.

#### THANK YOU FOR YOUR ATTENTION

#### **THAILAND**

Statement by
Political Secretary to the Minister of Foreign Affairs of Thailand
Mr. Navin Boonseat
at the ll<sup>lh</sup> Council of Ministers Meeting of the Indian Ocean Rim Association for Regional
Co-operation (IOR-ARC)
15<sup>th</sup> November 2011
Bengalurn. Republic of India

Mr. Chairman. Excellencies. Ladies and Gentlemen.

Let me begin by expressing my gratitude to the Government of the Republic of India for the excellent arrangement of this meeting and the warm hospitality extended to me and my delegation.

IOR-ARC is a unique regional forum. It represents a region of great diversity, with vast untapped opportunities for us to explore.

In this regard. I am delighted to learn that IOR-ARC touches upon various issues of socio-economic development ranging from trade and investment, transport, fishers', education, public health and. above all. disaster management.

#### Excellencies.

Since disaster management is the issue of common concern shared by countries in this region, it is gratifying to note that the disaster risk reduction is on the list of IOR-ARC priorities. Experience and lessons sharing should be further strengthened. Preventive capacity and resilience to disaster should be enhanced through training and capacity building.

As Thailand continues to cope with one of the severest floods in decades, we certainly have some lessons to be drawn and practical experience to share, especially on disaster relief for affected Hood victims. My Government is determined to turn the current crisis into an opportunity to revitalize our economy, to build infrastructure that will address flood prevention in a comprehensive sustainable manner. Massive investment will be spent productively in this regard. There is already 1.42 billion US dollar prepared for the first phase of post-crisis rehabilitation.

As regards disaster management. Thailand sees the important role of dialogue partners. 1 would also like to commend the efforts of the Secretariat and the Working Group of Heads of Missions Meeting in establishing the paper on "Mechanism for Engagement with Dialogue Fanners" and recommendations on a phased approach to re-engage dialogue partners in supporting the objectives of IOR-ARC. It is our task to encourage them to participate in our cooperation framework especially through technical assistance on projects and programmes of common interest.

#### Excellencies.

The second issue is maritime security. We are of the view that protecting and safeguarding the Sea Lanes of Communication (SLOCs) is the priority for countries surrounding the Indian Ocean. As a responsible member of the international community, Thailand fully supports international efforts in this regard.

On the issue of combating piracy. Thailand wishes to encourage information sharing with other existing frameworks such as IMO. ASEAN, and ARF. We also welcome initiatives proposed by some member countries to convene international seminars and conferences on this issue.

Another issue that we can work closely together is fisheries. The IOR-ARC Fisheries Support Unit (FSU) could well serve as a useful mechanism in supporting the exchange of know-how as well as promoting trade, research and management in the field of fisheries and aquaculture. Moreover, the FSU could also play a role in conservation and better utilisation of fisheries resources and protection of the environment in the Indian Ocean.

Last but not least, there are rooms of possibilities for our trade and investment cooperation and facilitation. Trade cooperation can range from promotion of trade and business activities to facilitation of rules and regulation which are obstacles to regional trade and investment. Promotion and protection of investment should be further pursued, including in the bilateral context, In this light, Thailand would also like to draw attention on the importance of Small

Medium (SMEs), of their capacity is needed to enhance to meet global socio-economic challenges.

#### **Excellencies.**

For our IOR-ARC to achieve greater potentials, we must be realistic and practical in our approach and focus our cooperative efforts only in key areas that are truly of our common interest. We need more concrete and constructive proposals, both about the future work plan and the structure necessary for our framework to function effectively. While we embark on the new Charter, which are indeed a necessary impetus for the future progress of IOR-ARC. we must remain committed to maintaining our fundamental principles of consensus, open regionalism and voluntary participation. This way we can accomplish our common goals for the shared prosperity of our region and beyond.

Thank you.

#### PEOPLE 'S REPUBLIC OF CHINA – DIALOGUE PARTNER STATE

Remarks by Counsellor Du Xiaocong at the 11<sup>th</sup> Meeting of the Council of Ministers' of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)

## Bengaluru, 15 November 2011

Your Excellency Minister Krishna, Secretary-General Sarmadi, Distinguished Heads of Delegation, Your Excellencies, Ladies and Gentlemen,

It's an honour for me to represent China on behalf of H. E. Minister Yang Jiechi of Foreign Affairs at the 11<sup>th</sup> Meeting of the Council of Ministers' of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC). First of all, please allow me to extend our warm congratulations to Minister Krishna and Minister Rudd on their taking up the chairmanship and vice-chairmanship of the Council respectively, and to Minister Adam and his colleagues for their country's resumption of the membership. I would also like to express our sincere gratitude toward the Indian Government and the Coordination Secretariat of the Association for their effective work for this meeting. I'm fully convinced that with the joint efforts by all parties, this meeting will surely be a success.

Linking four continents and connecting the Pacific with the Atlantic, the vast waters of the Indian Ocean have nourished splendid ancient civilizations. Today, against the background of deepening economic globalization, the Indian Ocean Rim region, with rich resources, huge market, important geographic location and distinctive cultural diversity, is playing an increasingly important role on the international arena. We have seen dynamic regional cooperation along the Indian Ocean Rim. Since its establishment in 1997, the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), as the sole economic cooperation organization of the region, has played an active role in promoting regional cooperation in various fields and common development of its member states. The development of the Association itself has also been strengthened in this process. This Meeting of the Ministers' Council is the first one held under the guidance of the revised IOR-ARC Charter. We have listened attentively to the welcome address by H. E. Minister Al-Qirbi and the opening remarks by Secretary-General Sarmadi. We applaud the achievements the Association has made over the past year in promoting wide-ranging cooperation and institutional building. We are confident that with the continuous efforts by the IOR-ARC and all its members, even greater progress will be made by the Association, contributing to regional cooperation and development and benefiting the countries and peoples there.

With unsolved structural and institutional problems, even after more than 3 years' shakedown period, the impact of the international financial crisis is still lingering on. This year saw the crisis bursting out again in the form of debt crisis in the United States and Europe. The recovery of the world economy is facing much more difficulties than expected, and the risk of recession is rising. The IOR-ARC provides an effective platform to promote regional trade and investment facilitation and build a more open and free regional trade system. Deepening regional economic integration will help to enhance the solidarity, communication and coordination amongst countries, strengthen the recovery of the world economy and facilitate strong, sustainable and balanced growth across the world.

Prosperity and development can not be achieved without peace and stability. We have noted with pleasure that recently the IOR-ARC has paid more attention to security-related issues such as combating piracy. We are pleased to see the Association and its members playing an active role in this regard.

## Ladies and Gentlemen,

China has always attached great importance to her friendly cooperation with the Indian Ocean Rim countries and regions. Since becoming a dialogue partner of the IOR-ARC in 2000, China has sent delegations to all the Ministers' Council Meetings, made contribution to the growth of the Association within her capabilities, and the cooperation between China and the Association and its member states has been ever strengthened. With highly complementary economies and huge potential in cooperation, the two sides have made remarkable progress in economic and trade cooperation. In years 2008, 2009 and 2010, trade between China and the IOR-ARC member states took up 15.2%, 15.7% and 16.4% respectively in China's total foreign trade, showing a trend of increase year by year. In 2010, the trade volume between the two sides reached US\$486.5 billion with an increase of 40% year on year. China now is having FTA talks or has set up FTAs with eight IOR-ARC member states. We are working together with the IOR-ARC members for a more open and free regional trade system. China is also an active participant in international anti-piracy cooperation. Since China sent naval fleets to the waters off the Somali coast in January 2009, effective cooperation has been carried out between China and some IOR-ARC member states in anti-piracy campaign. China is committed to strengthening the coordination and cooperation with the IOR-ARC and its member states in this field and make joint efforts for a peaceful and stable security environment for the sustainable development in this region. China is also willing to have exchanges and cooperation with the IOR-ARC and its member states in education, science and technology, transportation, tourism and human recourses training.

China supports the working orientation and priority agenda in cooperation of the IOR-ARC, and is ready to further strengthen the coordination and communication with the IOR-ARC, its member states and other dialogue partners to promote the regional cooperation in the Indian Ocean Rim and contribute to the peace and prosperity of the Indian Ocean.

To conclude, I wish the 11<sup>th</sup> Council of Ministers' Meeting a complete success.

Thank you all!

#### INDIAN OCEAN RESEARCH GROUP (IORG) - OBSERVER

- 1. Excellencies, Distinguished Representatives, Distinguished Guests, Ladies and Gentlemen. This is the first meeting of IOR-ARC at which the Indian Ocean Research Group (IORG) has attended as an Observer.
- 2. On behalf of IORG, I would like to sincerely thank all IOR-ARC member states for involving us in this very important process. IORG is firmly committed to the facilitation of successful outcomes in the Indian Ocean Region.
- 3. We would also like to thank the IOR-ARC Secretariat, especially the Secretary-General, Morteza Sarmadi, and Director, Vish Badal, for their continued encouragement and support.
- 4. As part of our commitment, for the past decade, IORG has been involved in organising Conferences in various parts of the Indian Ocean Region including in Australia, India, Iran, Malaysia and Oman to discuss issues of common regional concern and to facilitate policy debate, the identification of policy needs and the creation of policy solutions. We have published a book from each of these meetings on key regional policy issues, including energy security, SLOCS, fisheries and environmental security.
- 5. Our most recent meeting was a Conference which IORG helped to organise with and was hosted by the Indian Council of World Affairs (ICWA) in New Delhi earlier this year on the theme of 'Reinvigorating IOR-ARC'.
- 6. The joint ICWA-IORG book based on this meeting and which is edited by our colleague, Vijay Sakhuja, has just been published by Pentagon Press, New Delhi.
- 7. IORG is especially gratified to receive the support of member states in the Academic Group for the initiation of our project: *The Political Economy of Maritime Africa in the Indian Ocean Region*.
- 8. The first stage of this Project will be a Conference scheduled to be held in Mombasa, Kenya, in July of 2012. We look forward to the support of all member states in ensuring the success of this Conference and to the research projects which will flow from it.

Speeches of the 11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India, 15<sup>th</sup> November 2011

**IOR-ARC** Secretariat

9. Finally, I would like to draw the attention of all member states to the IORG flagship journal, which is published by Routledge UK – *The Journal of the Indian Ocean Region*.

10. The Journal was launched in 2010 and has two issues each year – June and December. To date, the first three issues have been theme-based – (i) maritime security (June 2010); (ii) climate change (December 2010); (iii) the geopolitical orientations of IO states (June 2011); (iv) the issue in press for next month is on the role of external powers in the IOR.

11. Future issues are planned on: regionalism; piracy; Africa; regional security, among others. We would always welcome suggestions for future themes and for policy statements which might be

included in future issues of JIOR.

Thank you for your attention. IORG looks forward to a fruitful future engagement as an Observer to IOR-ARC.

Dennis Rumley
Professor of Indian Ocean Studies
University of Western Australia
Chairperson, Indian Ocean Research Group Inc

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# INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL CO-OPERATION

# REPORT OF THE SECRETARY GENERAL

AMBASSADOR MORTEZA SARMADI

11<sup>th</sup> MEETING

**COUNCIL OF MINISTERS (COM)** 

BENGALURU, REPUBLIC OF INDIA

TUESDAY, NOVEMBER 15th, 2011

11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India Tuesday, November 15<sup>th</sup>, 2011 His Excellency Sri S.M. Krishna, Minister of External Relations of the Government of India,

Excellencies, Heads of Delegations of the Council of Ministers,

Distinguished Guests, Ladies and Gentlemen,

#### (INTRODUCTION)

As the hosting of this 11<sup>th</sup> Meeting of the Council of Ministers coincides with the conclusion of my three years as Secretary General of IOR-ARC, I seek the indulgence of the Council of Ministers for my report to include both the activities and projects of the Association since the last meeting of the Council, as well as to use this opportunity to reflect broadly upon the challenges facing IOR-ARC - and our successes, over the last few years.

Your Excellency's may have noted that the Agendas' for this year's meetings of the various organs of the Council reflects the multiple challenges that we have experienced over the last year. Mindful of this, I have endeavored to draft a programme for our deliberations, which is forward looking and providing an opportunity for Member States to propose measures in which the Association can use this superb opportunity for us to unite under the banner of IOR-ARC.

#### Excellencies,

At the outset, I wish to comment on what is perhaps the hope of many of our Member States: - that as the baton of Chairmanship passes to our hosts for this session of the Council, the **Government of India**, there is a high expectation among Member States - that our implementation challenges, as well as our vision in reaching out effectively to connect our broader policy objectives to our stakeholders, is now more within reach.

We cannot be blind to many of the issues that are being highlighted by the masses of people, who continue to mobilize – every day, for socio-economic change in almost every corner of the globe and we should therefore strive to seek ways, however humble, in addressing some of these concerns that continue to be headlined.

#### (BACKGROUND)

#### Excellencies,

Allow me to please expand on this submission....

It is a common belief that the vast potential of **Africa** and the rise of **Asia** in this millennium will have a profound effect on the global economy. Our Association is privileged with having amongst its Member States those that have the wisdom, capacity and willingness to welcome onboard those of us that also seek opportunities to address the severe imbalances being experienced by our people in the region in relation to **economic progress, poverty alleviation, housing** and the serious challenges of **high unemployment and environmental degradation** – to name just a few common challenges being experienced by millions of our inhabitants.

The Chairperson of the Committee of Senior Official will provide to Council a comprehensive report on the various projects of the Association. My task would therefore be to identify some issues which may have a bearing on the response and recommendations of our esteemed Ministers, in their proposal for the **Work Programme of IOR-ARC** for the year ahead.

My report would accordingly deal with the *Projects and Activities of the preceding year*, our *Challenges and Achievements* experienced since I took office and finally to share with you, my thoughts and proposals on some mechanisms on *The Way Forward*, to make IOR-ARC a more effective and dynamic organization.

#### Excellencies,

# 1. TO DEAL FIRSTLY WITH THE PROJECTS AND ACTIVITIES OF THE PERIOD UNDER REVIEW:-

#### (SECRETARIAT)

In addressing matters relating to the Secretariat, I had earlier mentioned the invaluable role played by **Mauritius** in the re-location of the Secretariat during the last year. Our new premises has the capacity to host, with the approval of the **Government of Mauritius**, some of the smaller Committee meetings of IOR-ARC that Council may recommend, from time-to-time. Subject to some logistical support that the Secretariat is not able to provide, the Secretariat is willing to volunteer - where required, to facilitate the hosting of smaller meetings that Member States may not be in a position to convene. Member States will of course appreciate that all arrangements associated with their participation, will have to be made by themselves.

#### (PROJECTS)

#### Excellencies,

May I highlight some of the more important, current projects being undertaken and to share my thoughts with you regarding implementation issues, associated with these initiatives:-

- The **Regional Centre for Science & Transfer of Technology**, in Tehran, as well as the imminent operationalization of the **Fisheries Support Unit** and the **Maritime Transport Council** the latter two being based in Muscat, requires the active participation of the Lead Coordinator as well as a strong commitment by Member States to promote the identity of these projects as being **regional projects of IOR-ARC**, and not just national in character. Furthermore, these projects have the potential of being elevated to **Centre's of Excellence in our region.**
- The **Bi-Annual Meeting of the CSO** proposed by this Council in 2010, met earlier this year in **Canberra** and requested Member States to propose two or three prioritized areas which they believe, have the potential to promote our work-programme. There is a conspicuous need for new, vibrant and iconic projects of an ongoing nature, as opposed ad-hoc projects like seminars, workshops and exhibitions. These new projects must have the potential of defining IOR-ARC both regionally and internationally and will serve to sustain activities that will have the potential to move IOR-ARC forward.
- The launch of our website, **iorarc.org** provides us with a further opportunity for networking and would serve as a vital link between the Focal Points of Member States, who in the past were restrained because of the challenges of meeting regularly. The Academic Group, for example, can share their research on an ongoing basis and provide

a much needed direction in the pursuit of viable projects for itself - as well as for the **Working Group on Trade & Investment** and the **Business Forum.** 

#### 2. CHALLENGES & ACHIEVEMENTS

#### Excellencies,

In my last report to the Council of Ministers in 2010, I reflected on the challenges facing IOR-ARC in the implementation of projects approved by Council. I had raised my concerns regarding the **insufficient participation of Member States** at some of our projects & events, **the level of response** to correspondence emanating from the Secretariat, **inadequate attention** being given to IOR-ARC matters between the meetings of the Council and the **participation and continuity of designated Focal Points** and their relevant line function Ministries.

In this regard, an analysis on how these challenges have been approached by Member States, namely – the participation and input of Member States, the outgoing correspondences from the Secretariat during the last year, as well as the level of responses from each Member State, is readily available on request from the Secretariat.

While there has been some improvement in the interest and participation of Member States, between the annual meetings of this Council, may I caution that the obligation of Member States is not necessarily confined to the payment of the modest membership fees imposed by Council. Indeed, the annual membership fees is dwarfed by the high costs of attending the annual Council and the various related meetings by delegations during the course of the year. The point I wish to make is that our constituents demand a *quid pro quo* for their membership in organizations like IOR-ARC and wish to see tangible results from their membership of international or regional organizations like ours.

#### 3. THE WAY FORWARD

#### Excellencies, Ladies & Gentlemen,

A major limitation in the work-programme of IOR-ARC, over the last two years relates to the initiation of new projects. As viable and thriving projects are the foundation for a successful regional association like ours, the **Bi-Annual Meeting of the Senior Officials** held earlier this year in Canberra, recommended the ownership of specific projects by Member States. This **"member-driven"** approach has the potential for the successful launch of new projects as well as the energizing of existing ones.

Many of our Member States have made a significant impact on various similar organizations that they have helped to create and nurture over the years. Some of us have played a prominent role in **APEC**, **SAARC**, **SADC**, **IBSA** and **BRICS**, to name a few. While most of the world looks to **Asia** for new leadership in global affairs, we are privileged to have amongst our Member States, leading economies that we look to for support and guidance in building IOR-ARC - by planting the seeds and the anchoring of new projects within their territories.

#### Excellencies,

May I take the liberty of identifying some project proposals which I believe are both realistic and achievable and I look forward to the serious consideration our Member States. Your response and participation will determine the agenda and direction of IOR-ARC in the immediate future:-

In this regard, the generosity of the **Government of India** in donating the sum of \$ 1 million will be a welcome stimulus for the implementation of these projects.

- Firstly, our stay in this remarkable city of **Bengaluru** has provided an opportunity for our delegates to assess, first hand, the major developments taking place within the IT sector of **India**. It is therefore opportune that on assuming the Chair of IOR-ARC, the **Government of India** may consider proposing a project in the **IT sector** that could help other Member States to use technology to "leap-frog" the development challenges facing many of us. We do not need to re-invent the wheel when Member States like **India** have the vast experience and "know-how" in such specialized sectors.
- Likewise, our new Vice-Chair Australia may consider sharing its expertise in agroprocessing and bio-technology by introducing a project that could begin to address the serious challenge of food security in our region. The establishment of food banks, and the ability of all Member States in the production of their basic food requirements must be given priority. Australia also has vast experience in the mining industry and may also consider ways in which it could assist many of our Member States to exploit their resources in an environmentally-friendly way.
- Similarly, South Africa who is currently **Chair of the 17**<sup>th</sup> **United Nation's Conference of the Parties on Climate Change**, may consider marking its hosting of this important conference to be held in Durban later this month by proposing a project on **green-house gas omissions** or a project that would contribute towards the preservation of our increasingly fragile environment.
- Upon the kind invitation from the **Government of Singapore**, many of our Member States have recently participated in the **Singapore Cooperation Programme**, which has now become an internationally recognized institution. It is my hope that **Singapore** would make this an ongoing programme and would take this a step further by considering customizing in some way, part of its training programme to address some specific needs of the **IOR-ARC** community.
- Malaysia and Sri Lanka have already taken the lead in IOR-ARC on activities relating to the construction industry and may therefore also consider a project that could address the serious challenges facing many Member States, in providing affordable housing to the millions that are homeless in our region.
- I have had the opportunity of having discussions with our esteemed representatives from **Mauritius** and also look forward to the leadership of **Mauritius** in concretizing a project that would facilitate the vast opportunities for **Trade & Investment** between Member States of IOR-ARC.

#### Excellencies,

Because of time constraints, I have highlighted just a few examples of Member States taking a leadership role in the initiation of new projects. I sincerely believe that each of our Member States have both the potential and capacity to introduce viable projects that would attract the support of all our stakeholders. I might add that to get the ball rolling, both the incoming Chair and Vice-Chair - by proposing new projects during their tenure of leadership of our Association, will have the effect of setting a **welcome precedent** to be followed in future, by our other Member States..

I therefore seek your support in the implementation of new projects that commands the interest of all Member States. This would consequently define the identity of IOR-ARC and impact positively on the

growth and development of our region. Furthermore, Combating Piracy and Disaster Management are other examples of projects which have also been prioritized and endorsed by this Council.

It is a common view that global challenges require global solutions. IOR-ARC is well positioned to address these global challenges because of its structure and composition which encourages open dialogue amongst our Member States. Our challenge therefore remains in translating some of these discussions and proposals into concrete actions that could bring in tangible results.

#### (CONCLUSION)

#### Excellencies, Ladies & Gentlemen

As we conclude our discussions today, we seek the direction and wisdom of our Ministers on how the economies of our Association are best placed to take on new challenges and take maximum advantage of the opportunities that lie ahead – and most importantly, to ultimately be in a position to deliver on this.

We acknowledge our limitations and that we cannot be all things to all people. IOR-ARC should therefore focus on those areas where we could add value to our members. A strong leadership and intellectual input is necessary if we are to serve as an incubator of ideas in an open and consensual environment and providing the space for innovation and collaboration amongst our broad constituencies, such as government, business and the academia.

Because we operate on the basis of non-binding commitments, consensus and open dialogue, the absence of binding rules provides the space needed for innovation and closer collaboration between Member States and other stakeholders, including our private sector and the academia.

Let us therefore seek ways in making maximum use of these opportunities.

#### Excellencies,

We look forward to the recommendations and the support of our Council of Ministers in making IOR-ARC an Association that would be capacitated to address the formidable development challenges facing our region.

I thank you for your time and for this opportunity to address you.



# Indian Ocean Rim Association for Regional Co-operation

## **CLOSING STATEMENT**

## AMBASSADOR MORTEZA SARMADI

SECRETARY-GENERAL

11th MEETING

**COUNCIL OF MINISTERS (COM)** 

BENGALURU, REPUBLIC OF INDIA

TUESDAY, NOVEMBER 15<sup>th</sup>, 2011

11<sup>th</sup> Meeting of the Council of Ministers (COM) Bengaluru, Republic of India Tuesday, November 15<sup>th</sup>. 2011

#### CLOSING STATEMENT BY THE SECRETARY GENERAL

#### AMBASSADOR MORTEZA SARMADI

# 11<sup>th</sup> MEETING OF THE COUNCIL OF MINISTERS BENGALURU, REPUBLIC OF INDIA

# TUESDAY, NOVEMBER 15<sup>TH</sup>, 2011

# Mr. Chair, His Excellencies, Members of the Council of Ministers, and Heads of Delegations

As I take my departure as Secretary-General of IOR-ARC on the completion of my term of office, may I take this opportunity of thanking each Member State for your cooperation and support during the period of my tenure.

Working in the IOR-ARC environment over the last three years has been a memorable experience for me, and I sincerely hope that I have, in some humble way, been able to contribute in moving our Association some steps forward. This could not have been achieved without the support of my colleagues at the Secretariat. I would therefore like to thank them for the very pleasant and friendly environment and their commitment and hard work has been very helpful to me, in the execution of my duties.

My thanks also go to the host country of the Secretariat, the Government of Mauritius who have made every effort in making me feel at home.

My best wishes also goes to the Chair, the Council of Ministers and the Secretariat in the challenging tasks ahead and I have no doubt that with the capable leadership of our Ministers and with the newly appointed Secretary-General whom I wish to congratulate, the fullest potential of this Association will soon be realized.

I thank you.

#### 11TM MEETING OF THE COUNCIL OF MINISTERS OF IOR-ARC

## BENGALURU COMMUNIQUE

We the Ministers of the Member States of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), met for the 11<sup>th</sup> Meeting of the Council of Ministers at Bengaluru, India, on 15 November 2011. Our discussions were facilitated by the recommendations of the preceding meetings of the Committee of Senior Officials, IOR Academic Group, Working Group on Trade & Investment and the IOR Business Forum.

We were delighted to welcome the Republic of Seychelles back as a member of IOR-ARC family.

Our deliberations emphasized the increased salience of the Indian Ocean in the contemporary setting. Our maritime domain is at the crossroads of commerce and its busy energy trade routes pass through vulnerable points. The menace of piracy has assumed alarming proportions in recent years. Our cities have been the target of global terror. Our region's susceptibilities to natural and manmade disasters, issues of sustainable development of our countries and the well-being of our peoples, of the requirement of resources, environmentally friendly technologies and renewable energy to handle challenges of changing climate, the management and sustainable harvesting of the Indian Ocean's bounty, all these were foremost in our minds and the peoples we represent.

The Indian Ocean is a part of our collective destiny, and there is clearly a case for developing a holistic vision and working cooperatively towards its realization if we are to cope with the challenges of the 21<sup>st</sup> century. We have reiterated our commitment to furthering the goals of IOR-ARC of promoting sustained growth, balanced development and stability, co-operation based on mutual trust and respect, common interests and similar approaches towards the pressing issues of our region.

We identified sectors of common and contemporary interest, which should guide our Association's work as we further deepen and give intra-regional cooperation greater relevance and value.

We expressed our shared concern on the prevailing situation regarding maritime security in the Indian Ocean, particularly at the growing level of piracy off the Horn of Africa which poses a threat to international and regional navigation, maritime commerce and the safety of sea farers. In this regard we fully support the international efforts at the UN and the several initiatives at the regional level, as well as the Contact Group on Piracy off the Coast of Somalia which is coordinating anti-piracy efforts. We committed ourselves to cooperate fully through sharing of information and through technical assistance to jointly combat this menace. We noted that stabilisation of Somalia will contribute to dealing with piracy in the region. As members take practical steps consistent with international law to combat piracy, we agreed that IOR-ARC could serve as an effective vehicle for sharing information, experience and best practices. We encouraged members to actively participate in international conferences, regional symposia and workshops being held in the region dealing with these issues.

The Rim has faced the devastating impact of a tsunami a few years ago, and our countries have faced cyclones, monsoon floods and similar natural disasters. Oil spills and marine pollution are recurring threats. Sharing of experiences and best practices through workshops and through capacity building would help in better preparedness to tackle the consequences of disasters, and we have adopted this approach.

Fisheries and marine resources occupy important place in the economies and livelihood of the IOR-ARC member countries. We underscored the importance of deepening cooperation among IOR-ARC members, including in the management and sustainable harvesting of fish stocks and combating illegal fishing and

damaging fishing techniques, to further consolidate cooperation under IOR-ARC. The IOR-ARC Fisheries Support Unit set up under the aegis of the Sultanate of Oman could function as a nodal institution to respond to the interests and requirements of member states.

Intra-regional trade amounts to 24% of the global trade and it is increasing. We have the capacity to take this process further. Infrastructure building and trade facilitation are areas in which we would be especially interested. We encourage IOR-ARC forums to reach out to the business and commercial expertise that exists in the region, with improved dissemination of market and supply side analyses and reports to support intra-regional growth of business. We also discussed possibility of initiation of a comprehensive study on the feasibility of preferential trading arrangements for the region including in a variable geometry. We are of the firm view that the academic, scientific and business communities of our membership would find their participation in the wide variety of trade, academic and tourism exhibitions and fairs held in our region of benefit and use, and encourage them to do so.

Science and Technology, and in a wider sense, the whole IOR Academic effort are areas which, in our opinion, need close attention with a recalibration of methodology and approach. We need to understand our region and our shared maritime domain better, we need to look at the development of technologies relevant to our peoples' needs. Meteorology and the study of the monsoons, marine biology and management of our coastal zones are all areas of relevance; so also are energy efficient and renewable energy technologies, capacity building in ICT, analytical studies on investment promotion etc. We emphasize the need for cross-fertilization of ideas between the Academic and Business Forums and the Working Group on Trade and Investment to strengthen overall cooperation under IOR-ARC. We are convinced that educational mobility and academic exchanges have the potential to contribute to this effort.

We appreciate the diversity and richness of the region's tourism potential and tourism promotion is an attractive vehicle for socio-economic growth and development in the IOR-ARC region. We believe that intra-regional tourism offers respond to the interests and requirements of member states.

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We appreciate the diversity and richness of the region's tourism potential and tourism promotion is an attractive vehicle for socio-economic growth and development in the IOR-ARC region. We believe that intra-regional tourism offers interesting possibilities and suggest that relevant authorities of member

countries target this sector for growth to realize the potential of cooperation to fuller extent. We have notedinteresting possibilities and suggest that relevant authorities of member countries target this sector for growth to realize the potential of cooperation to fuller extent. We have noted that the second phase of Tourism Feasibility Study is being undertaken at the initiative of the Sultanate of Oman and look forward to its early completion.

We also agree that cultural exchanges would help in promoting people-to-people contacts, contribute to greater appreciation of our diverse capacities, social and cultural values, build mutual confidence and enhance the visibility and value of our Association.

In all these sectors, capacity building is a key instrument. We encourage Member States to make full use of capacity building programmes and workshops that members organize. We would like this aspect to be studied and remedial action suggested, so that the considerable efforts that are put into organizing these activities are put to optimum use.

We agreed to consider a new name for our Association. We directed our senior officials to undertake necessary consultations and report at our next meeting.

We express our appreciation for the leadership provided to the Association by Yemen as the Chair of IOR-ARC over the last two years. We welcome India as the incoming Chair and Australia as Vice Chair of the Association and extend our support and cooperation to it during its Chairmanship in our collective efforts.

We welcome the new Secretary General Ambassador K.V. Bhagirath of India. We would also like to record our appreciation of the contributions of Ambassador Morteza Sarmadi, Secretary General during his term of office.

We thank the Minister of External Affairs of the Republic of India for hosting the 11<sup>th</sup> COM at Bengaluru.

**15 November 2011**