

**REPORT OF THE EXTRAORDINARY MEETING OF THE  
COUNCIL OF MINISTERS (COM)  
Muscat, Sultanate of Oman  
22-23 January 2000**

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**ADDRESS BY**

**H.E. Dr. Leonardo Santos Simao  
Minister of Foreign Affairs and Co-operation of the  
Republic of Mozambique and Chairman of Council of  
Ministers of the Indian Ocean Rim Association for Regional  
Cooperation (IOR-ARC)**

**On the occasion**

**Of the**

**Extraordinary Meeting of Council of Ministers**

**Muscat, 22<sup>nd</sup> to 23<sup>rd</sup> January, 2000**

**Honourable Ministers;  
Distinguished Delegates;  
Ladies and Gentlemen,**

On 14 January 2000 our former colleague Alfred Nzo passed away in Johannesburg. As we all know, in addition to this full participation in the struggle against the apartheid in South Africa, Alfred Nzo, as Minister of Foreign Affairs of the New South Africa, played an important role for the creation of our Association. For all those reasons, I propose that we send a message of condolences to the Government of South Africa; I also propose that we stand up for a minute of silence in his memory (thank you).

It's a privilege for me to address this Extraordinary Meeting of Council of Ministers of the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC) at the beginning of the new millennium.

Allow me to take this singular and unique opportunity to express my profound appreciation to the Government and the people of the Sultanate of Oman for the generous hospitality offered to us since our arrival in this beautiful City of Muscat.

I also thank you for the excellent arrangements made for the holding of such an important event for the life of the Association.

My gratitude is also extend to the Coordinating Secretariat by the praiseworthy role played in harmonizing our views and positions and by providing us with updated information about projects and activities undertaken within the IOR-ARC.

The meeting we are starting today has been convened on the recommendation by the Second Meeting of Council held in Maputo 30-31 March 1999, with the objective to decide on very important matters that will guide the functioning of the organs of our Association.

During the Breakfast Meeting held in New York on 24 September 1999, in which participated Ministers and Other Representatives of IOR-ARC, we agreed to convene a Meeting of Legal Experts, which successfully was held in Maputo on 8-10 December 1999.

The objective of this meeting was to conclude outstanding issues relating to the Instrument of Acceptance, Rules of Procedure and Headquarters Agreement, with view to giving technical input to these documents. The outcome of the Meeting of Legal Experts has just been considered by the Committee of Senior Officials and submitted to Council for adoption.

In March 1999 in Maputo, Bangladesh, Iran, Seychelles, Thailand and the United Arab Emirates were admitted as members of IOR-RAC, and Egypt and Japan as Dialogue Partners of the Association.

I am very pleased to welcome the honourable representatives from these countries for their admission, because they will bring an additional impetus to the Indian Ocean Rim Association for Regional Cooperation.

Honourable Colleagues;

Ladies and Gentlemen;

Recently the People's Republic of China has applied for Dialogue Partner Status and the Indian Ocean Tourism Organization, the Civil Society Indian Ocean Rim Network and the African Association of Political Science have applied for the Observer Status.

The same way France, Pakistan and the United Kingdom have applied for the second time consecutive for membership and dialogue partner status.

I believe that this growing number of applicants and admissions will diversify areas of cooperation, not only among our Governments, Business People and Academia, but also will encourage the participation of civil society in the IOR-ARC.

In this regard, efforts should be made by members with view to seeking ways on a consensual basis to accommodate any positions to be taken when discussing any matters of relevance.

Trade and Investment constitute the "driving force" of the Indian Ocean Rim Association for Regional Cooperation, so that we should turn fully our efforts towards the implementation of what has been established within the framework of these strategic areas.

The holding of a meeting of the Working Group on Trade and Investment here in Muscat prior the Committee of Senior Officials and Council Meetings enables us to evaluate the progress made in these areas, and then take bold steps forward.

As you may recall, during the Breakfast Meeting in New York it has been noticed that the IOR-ARC Charter has got some gaps in it. Issues regarding interpretation of the Charter, accession, cessation of membership, among others, although being of crucial importance, are not yet reflected in the IOR-ARC Charter. During the Meeting of Legal Experts the same issue has been raised by some delegations.

So, a consideration on these issues aimed at finding a consensual way to encapsulate them in the IOR-ARC Charter could give it an appropriate format.

Honourable Ministers;

Ladies and Gentlemen;

As most of us are aware, India and Mauritius have been funding the Chair and Associate Fellows in Indian Ocean Studies for an Initial period of two years, whose term is coming to an end now.

The Indian Institute of Foreign Trade and the Tertiary Education Commission of Mauritius are the institutions that since January 1998 have been supporting the costs of the Chair and Associate Fellows in Indian Ocean Studies.

In this connection and in the light of the will manifested by members during the Meeting of Committee of Senior Official held in Maputo in March 1999, to maintain the Chair, I believe that concerted and effective ways will be found among ourselves to continue the project initiated by Mauritius and India.

I thank you very much.

**Inaugural addresses of  
new Member States (Bangladesh, I.R. of Iran) and  
The two dialogue partners (Arab Republic of Egypt, Japan)**

**STATEMENT OF H.E. MR. ABDUS SAMAD AZAD, M.P.,  
FOREIGN MINISTER OF BANGLADESH AT THE  
EXTRAORDINARY MEETING OF THE COUNCIL OF MINISTERS OF IOR-ARC AT  
MUSCAT, OMAN  
22-23 JANUARY 2000**

Mr. Chairman,

Excellencies, Ladies and Gentlemen,

It is indeed a great honour for me to participate in this Extraordinary Meeting of the Council of Ministers of IOR-ARC in this beautiful city of Muscat. I deem it my duty, first of all, to thank all member states for admitting Bangladesh in the Indian Ocean Rim Association as a new member of the club. I would also like to take this opportunity to congratulate Iran, the Seychelles, UAE and Thailand, as well as dialogue partners Japan and Egypt whose presence would undoubtedly add to the effectiveness and strength of our Association. Let me assure you that Bangladesh is fully committed to the principles, aims and objectives of the Charter and that we shall dedicate ourselves to the attainment of the goals of the Association. Let me also express our deepest thanks to the brotherly Government of the Sultanate of Oman for the warm reception that has been extended to me and the members of my delegation as well as the excellent arrangements that have been made for this meeting.

Mr. Chairman,

At the outset I would like to congratulate you for your highly illuminating speech, which, I am sure would set the tone of our meeting. We are also confident that with your vast experience and personal commitment to the cause of the Association, we shall be able to steer the deliberations of this meeting to a successful conclusion. It would be remiss on my part if I do not put on record our deep appreciation for the able leadership of Mozambique which has done an outstanding job as Chairman of the IOR-ARC.

Mr. Chairman,

The Government of Bangladesh under the leadership of Prime Minister Sheikh Hasina strongly believes in the concept of regional economic cooperation and this is precisely why Bangladesh attaches such great importance to its membership of IOR-ARC. This is what prompted Bangladesh to take the initiative in the launching of South Asian Association for Regional Cooperation (SAARC). Bangladesh is convinced that member states of IOR-ARC could immensely exploit their untapped potential for increased economical cooperation which could be catalytic in promoting speedy economic growth in the member states. In this context, I am happy to say that since the establishment of SAARC in 1985, there is regional consensus among the SAARC countries to establish a free-trade area in South Asia (SAFTA), following the coming into effect of South Asian Preferential Trading Arrangement (SAPTA). Since the inception of SAPTA, three rounds of trade liberalization talks have been held, as a result of

which member states have exchanged tariff concessions on more than 5400 items among themselves in these three rounds, Bangladesh has received tariff concessions on 3016 items from other member states of SAARC. In return Bangladesh has granted tariff concessions on 596 items to other member states.

Mr. Chairman,

Against the backdrop, the Government of Bangladesh places high priority on the trade and investment agenda of the IOR-ARC. Bangladesh would, therefore, be very keen to study and examine the individual country reports on coordination of quarantine regulations by Australia, on tariff database by India, on customs regulations by Sri Lanka and on compendium of trade rules and regulations by Mauritius..

Mr. Chairman,

We are meeting at a time, fortunately, when there has been significantly greater understanding, appreciation and awareness of the importance of regional economic cooperation. The frontiers of our thinking on trade, commerce and development has substantially expanded in this decade. Much of the wisdom has its roots in major global conferences as well as meetings like ours, where we have discovered new approaches and new strategies for trade and economic cooperation and have drawn up our economic and social agenda and established many goals and time-bound targets. However, it would be important for us to progress step by step to consolidate the gains already achieved before we move on the next phase. We may have difficulties in our path but we will surely overcome those through the synergies of our collaborative efforts.

Finally, Mr. Chairman, let me assure you that the Government of Bangladesh would extend its fullest support and cooperation to you in the aims and objectives of IOR-ARC. This would also help us to realize the dream of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman to attain a good quality of life for our people.

I thank you.

**STATEMENT FROM THE ISLAMIC REPUBLIC OF IRAN  
AT THE  
EXTRAORDINARY MEETING OF THE COUNCIL OF MINISTERS OF IOR-ARC AT  
MUSCAT, OMAN  
22-23 JANUARY 2000**

In the name of God, the Compassionate, the Merciful

Mr. Chairman,

I am delighted to be present in this august body for the first time. I take this opportunity in congratulating your election as the Chairman of the Council of Ministers. My congratulations are also extended to other members of the bureau. I am confident that our meeting will achieve fruitful conclusions under your wise and able Chairmanship. Meanwhile, I would also like to thank you and the Sultanate of Oman for the hospitality extended to my delegation.

Mr. Chairman,

As you are well aware, Islamic Republic of Iran's application for the membership in the IOR-ARC was accepted by the Second Meeting of the Council of Ministers in March 1999. On behalf of my Government, I would like to express appreciation to you, to the distinguished Minister of Foreign Affairs of the Republic of Mozambique who informed me of the acceptance, and the other members of the Association who extended their valuable support to our application. Islamic Republic of Iran is determined, in cooperation with other members, to endeavour for the realization of the noble goals of the Association. This, I am sure, will in turn contribute to the welfare and progress of the countries of the Indian Ocean Rim as well as peace and security of the region.

Mr. Chairman,

My government believes that regional and sub-regional cooperation can be regarded as a basis for the enhancement of inter and intra regional and subsequently international cooperation. There is no doubt that economic, social and cultural similarities, though in some cases are restrictive, have an effective role in shaping the nature of regional and sub-regional cooperation. The initiative to form the IOR-RAC, in my opinion, is a step ahead of sub-regional and regional cooperation, which will open new horizons and facilities for the member states. Countries with various degree of economic development can establish wider commercial and economic relations by complementing each other and consequently prepare the ground for the interaction of various cultures. The Islamic Republic of Iran has always welcomed any initiative for the enhancement of cooperation among countries located at the Indian Ocean Rim. Fortunately, two bodies namely Indian Ocean Academic Group and Indian Ocean Rim Business Group have been envisaged as consultative arms in the present arrangements to work effectively in both directions.

Considering that the 53<sup>rd</sup> Session of the General Assembly of the United Nations has adopted the year 2001 as the year of Dialogue among Civilizations, the IOR Academic Group can play a great role in academic exchanges as well as interaction of cultures by putting forward new initiatives. Undoubtedly, this interaction will help to develop economic and trade relations.

In my view, our young Association has a good start in realizing its goals, indicating a promising future of concrete cooperation in the fields of trade and investment. The projects deliberated in the related bodies of the Association should be outlined in a way that is inclusive and takes into account the interests of each and all of the members. This will create sufficient incentive for them to participate actively in the work of the Association. We believe that establishment of a data base covering trade and customs policies and regulations as well as investment laws is a crucial step for getting familiar with each other's market potentials and a qualitative leap forward for the development of trade in the region. Based on this information, further steps will be taken for trade facilitation and technical cooperation.

Mr. Chairman,

In conclusion, once more \, I would like to emphasize that my country stands ready to actively participate in the discussions and future projects of the Association for the realization of its goals.

**IOR/COM/REP/00/2.3**

**Statement of the Arab Republic of Egypt  
At the Extraordinary Meeting of the Council of Ministers of the Indian  
Ocean Rim Association for Regional Cooperation (IOR-ARC)**

**Delivered by  
His Excellency Ambassador Samir Seif El-Yazal  
First Under-Secretary of the Ministry of Foreign Affairs**

**22-23 January 2000**

**Muscat, Sultanate of Oman**

Excellency,

At the outset allow, me, Mr. Chairman, to express my delegation's appreciation for the Government and people of the Sultanate of Oman for the warm welcome and the expected hospitality we have encountered since we arrived in Muscat. The fact the Sultanate of Oman is hosting this meeting reflects the active role and commitment of Oman to the cause of this Association.

It gives me great pleasure to address this honourable meeting on behalf of the Government of the Arab Republic of Egypt in its capacity as Dialogue Partner for Trade and Investment with the IOR-ARC a status that Egypt formally received at the Second Ministerial Meeting of the IOR-ARC held in Maputo in March 1999

On this occasion, I wish to express Egypt's gratefulness for the position adopted by the members of the IOR-ARC regarding Egypt's admission as Dialogue Partner. I would also like to extend our congratulations for Bangladesh, Iran, Seychelles, Thailand and the United Arab Emirates who were admitted as members of the Association, as well as Japan, which was welcomed as Dialogue Partner for Trade and Investment.

Egypt feels privileged with that acquired status which conforms to Egypt's political will and determination to play both a positive and active role in the formulation to play both a positive and active role in the formulation elaboration, implementation and follow-up of projects and programs of common interest and benefit with the members of the IOR-ARC in the relevant fields particularly as the Association includes members from different regions of the world, namely Africa, Asia and Australia. With whom Egypt is keen to develop close relations.

There is no doubt that the participation of Egypt in the Meeting of the Working Group on Trade and Investment, which is addressed projects and programs related to trade facilitation, technical cooperation and exchange of views on relevant international and regional trade development as well as its participation in the Special Meeting of the Committee of Senior Officials both held prior to our present meeting demonstrate the firmness and seriousness with which Egypt undertakes its status as Dialogue Partner with the Association.

We consider the Special Meeting between the members of the IOR-ARC and officials from Egypt and Japan, in their capacity as Dialogue Partners, to address the issue of promotion and enhancement of economic, trade and investment cooperation between the IOR-ARC and the Dialogue Partners in the work program of the IOR-ARC, in particular those projects relating to trade and investment issues constitute a constructive step forwards involving the partners in the work of the Association for the mutual benefit of both sides and in furtherance of the objectives of the Association. This being said, I would like to hereby reiterate Egypt's continued interest in acquiring a full member status in the Association.

In the meantime Egypt seeks to maximize the participation of the Dialogue Partners in the activities of the Association, including in the IOR Business Forum and the IOR Academic Group which could play a vital role both in enhancing the involvement of the civil society in our countries in the work of the Association as well as ensuring mutual enrichment and better coordination towards a more effective implementation of its programs and projects.

My delegation particularly welcomes the conclusion of agreement by members regarding the instruments of acceptance the rules of procedure the headquarters agreement all of which contribute to the development of the institutional setup of IOR-ARC.

The adoption of such documents adds to the already existing ones including the Charter of the Association which embodies important principles and objectives including enhancement of regional cooperation: peaceful coexistence, exchange of benefits and non-intervention in the internal affairs of countries: as well as furtherance of sustainable and balanced development and dialogue in international for on relevant international economic issues.

My delegation notes with interest the focus of the Association on the issues of trade promotion and liberalization, investment, cooperation in the fields of science, technology tourism, infrastructure development human resource development and the projects already approved in the work program of the association with a view to substantiating these common fields of interest.

I would like to refer to the fact that Egypt accords great importance for its future cooperation with the members of the IOR=ARC, taking into account that Egypt is increasingly being integrated in a network of complementary trade liberalization arrangements including its admission in the COMESA which covers more than 200 million people in Africa the conclusion in the very near future of Egypt's partnership agreement with the European Union positive developments towards the implementation of the Arab Free Trade Area Agreement and finally the potential regional cooperation arrangements in the Middle East and North Africa in the aftermath of the hopeful successful conclusion of the peace process in the Middle East.

In this context Egypt's hosting a COMESA regions economic conference open for both government and business representatives from all over the world by the end of February 2000, and is also hosting the next session of the MENA Conference in the course of the year 2000. All these developments and events should make Egypt more attractive for future trade and investment cooperation with the government and the private sector of the IOR-ARC members.

In conclusion, Please rest assured, Mr. Chairman, of Egypt's deep commitment to the work of IOR-ARC and its continued support to its activities.

**MESSAGE OF H.E.MR.YOHEI KONO,  
MINISTER FOR FOREIGN AFFAIRS OF JAPAN,  
TO THE EXTRAORDINARY MEETING  
OF THE COUNCIL OF MINISTERS OF THE IOR-ARC**

**ON 22-23 JANUARY 2000, MUSCAT, SULTANATE OF OMAN**

Mr. Chairman, Excellencies Ladies and Gentlemen,

Let me begin by expressing my gratitude for the invitation which the Association generously extended to Japan as a Dialogue Partner for the first time. This meeting deserves much attention is that, the Association has come to make find decisions on the matters in further consolidate its framework and therefore it obviously bears special importance for the future of the Association.

Economic interchanges in the Indian Ocean Rim region had already existed iin the ancient times, when maritime trade networks developed ranging from the coastal area of Arabian Sea, across the Indian Ocean, to the Bay of Bengal, Southeast Asia and up to China, or across the islands in Southeast Asia to Australia. Such commercial networks of goods, information and people interesting across the Indian Ocean presumably underpinned the multi-ethnic prosperity of this region.

The present Indian Ocean Rim region comprising Australia, Southeast and South Asia Gulf countries and African countries, well matches APEC in its tremendous geographical scale and diversity. With approximately 30% of the world population and 14% of the world land area in this region, intra=regional trade share has exceeded 20% and is still growing gradually the Southern Asia economic recovery is underway, the African countries are understanding economic reform, South Asian countries are attaining steady growth under liberalization policies in the 1990's oil rich Golf countries there and Australia is increasing its trade with the Indian Ocean Rim region. Gives those circumstances we may well conclude that this region possess affluent possibilities for growth in the medium and long term.

Together with such private sector vitality as once promoted the ancient trade, the ongoing cooperation in the Indian Ocean Rim is characterised by the Member States political initiatives towards enhancing business opportunities and strengthening the economic relations, since the establishment of the Association in 1997. As such, the progress in the cooperation will surely open a new chapter of the history of regional economic relationship.

Now let me introduce some examples of regional frameworks and dialogues Japan has been engaged in, concerning trade and investment which are the core areas of cooperation in the Association, there is APEC (Asia-Pacific Economic Cooperation

forum) APEC has promoted liberalization and facilitation on trade and investment and economic and technical cooperation on the basis of partnership. Particularly the Asian economy is now in the phase of recovery from the financial crisis, and with such good prospect towards 21<sup>st</sup> century, APEC has intensified its activities for free and open trade and investment.

In response to the financial crisis on the other hand ASEAN +3 framework (Japan, China and South Korea) since 1997 has gain momentum for regional cooperation. The leaders are in agreement on further cooperation with a view to advancing mutual understanding, trust, good neighborliness and friendly relations, peace, stability and prosperity in East Asia and the world.

As such the achievement in APEC and ASEAN +3 Summit will provide useful suggestion in drawing a grand design of the future of the Association.

In order to realize a prosperous new century, we should not slow down the speed for the development of global economy. Various efforts to vitalize economy and society have been made country-wise, region-wise and on the global scale. In this context, I sincerely hope that the cooperation in the Indian Ocean Rim will continue to progress with the basic idea of open regionalism, leading to the development and prosperity of the entire world.

As a Dialogue Partner with the experience in APEC and ASEAN+3, Japan with respect for the Member States own initiatives, would like to play a constructive role for the progress of the Association towards vitalizing the economic relations in the Indian Ocean Rim region.

At the end of my message, I sincerely wish for great success of this special Ministerial Meeting

**Yohei Kono**  
**Ministry of Foreign Affairs of Japan**  
**22 January 2000**

**Annex III to COM**

**Address by  
His Excellency Yousuf bin Alawi bin Abdullah  
Minister for Foreign Affairs, Oman**

**On the occasion**

**Of the  
Extraordinary Meeting of Council of Ministers**

**Muscat, 22<sup>nd</sup> to 23<sup>rd</sup> January, 2000**

Honourable Ministers,  
Excellencies,  
Members of Delegations,  
Distinguished guests,

Peace and God's blessings be upon you.

It gives me great pleasure to welcome you all in the Sultanate of Oman for the Extraordinary meeting of the Council of Ministers of the Indian Ocean Rim Association for Regional Co-operation. I am also pleased to welcome the new members of the Association: the People's Republic of Bangladesh, the Islamic Republic of Iran, the Republic of Seychelles, the Kingdom of Thailand and the United Arab Emirates, as well as the two dialogue partners, the sisterly Arab Republic of Egypt and the friendly Japan. The presence of the new Member States and both dialogue partners with us today and for the first time will add special importance and contribute vigorously, effectively and positively to the Council meeting at present and in the future.

Excellencies

The historical links and relations binding the peoples of our Association are deeply rooted in the region's human and cultural history as many human civilizations and trade activities emerged along its coasts. We cannot ignore the prominent and important role played by the region in the ancient international trade between East and West. The unique diversity of the sources of natural wealth and minerals, let alone the large population density of the member states, qualifies the Association to become one of the most important regions in trade and investment especially as many of these sources have not yet been exploited. Therefore, we are fully confident to assert that cooperation within this large gathering will contribute not only to the development and prosperity of the region's peoples but of the whole world in view of the new world trend towards globalization and the ever increasing importance of the World Trade Organization. All these developments necessitate that we, the sons of the States and peoples of the region being from different sectors, have to work seriously, patiently and with confidence to benefit ourselves and others from these wealth and unique advantages amassed in our States and in our large Ocean.

Excellencies

Your keenness and desire to persistently and effectively push forward the march of common action necessitated the convening of this extraordinary meeting to finalize the matters and issues pending from the second Council of Ministers meeting held in Mozambique in March last year.

Excellencies

The recommendations of the Committee of Senior Officials held in Muscat on 20, 21 of this month which are referred to the Council of Ministers are a clear indication that the positive efforts of the Association's Experts Group, who met in Maputo during the period 8-10 December, 1999, succeeded in creating the suitable common ground needed to finalize the setting up of the required mechanisms and legal frameworks. The recommendations also indicate that the Working Group on Trade and Investment which met in Muscat for the first time on January 20<sup>th</sup> started discussing the means to support trade facilitation and liberalization as well as promote technical cooperation in the region. We are fully confident that these recommendations would gain the due attention of the Council of Ministers.

I don't want to take up your time because the agenda of the Council of Ministers' meeting is full of important subjects. However, I would like to take this opportunity to thank you for accepting our invitation to this extraordinary meeting. My special thanks go to His Excellency Leonardo Santos Simao, the Minister of Foreign Affairs and Cooperation of the friendly Republic of Mozambique and Chairperson of the Association's Council of Ministers, and to His Excellency Manou Bheenick, Minister of Economic Development, Productivity and Regional Development of the Republic of Mauritius the ex Chairperson of the Council for their countries continued efforts and support for the Association. I would also like to express my heartfelt thanks to his Excellency Kailash Ruhee, Director of the Co-ordinating Secretariat for his efforts in consolidating the institutions of the Association. I wish him every success in his new job.

Finally, I wish you all a pleasant stay in the Sultanate, and every success to the meeting in achieving the objectives we all cherish.

Thank you.