

**REPORT OF THE SECOND MEETING OF THE
COUNCIL OF MINISTERS (COM)**

Maputo, Mozambique

30-31 March 1999

List of Documents

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<i>Annexure to COM Report</i>	
Address by HE Mr. Joaquim Alberto Chissano, President of the Republic of Mozambique (In English & Portuguese)	IOR-ARC/COM 02/March99/3
Address by Hon. Manou Bheenick, Minister of Economic Development, Productivity and Regional Development of Mauritius	IOR-ARC/COM 02/March99/4

**ADDRESS BY HIS EXCELLENCY MR. JOAQUIM ALBERTO CHISSANO,
PRESIDENT OF THE REPUBLIC OF MOZAMBIQUE, AT THE OPENING
CEREMONY OF THE SECOND COUNCIL OF MINISTERS MEETING OF THE
INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL COOPERATION,
HELD IN MAPUTO, MOZAMBIQUE, FROM 30th TO 31st MARCH 1999**

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

It is a privilege for me and my Government to host in the Republic of Mozambique this Second Meeting of the Council of Ministers of the Indian Ocean Rim Association for Regional Co-operation, an event that gives us honour and for which we have waited with great expectation, for it is here we find a privileged space to share experience and to consolidate our mutual acquaintance.

I wish to express our acknowledgement to all the Association member countries and to all those who have contributed in a positive manner to the achievement of the objectives pursued by our countries.

I wish to take this unique opportunity to wish Your Excellencies and the respective delegations a warm welcome to the Republic of Mozambique. It is our wish to afford you as good an atmosphere as possible to ensure that you feel at home and your work is a success. Aware as we are of our own shortcomings, we can only hope that the loopholes in the arrangement will merit your understanding and tolerance.

At this occasion, I would like to convey a message of solidarity to the Indian people for the recent earthquake that killed 80 people. I hope that India will overcome this natural disaster.

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

We are today on the threshold of the next millennium and our societies are still faced with various problems resulting from an unjust economic international order. This situation which should not be allowed to continue imposes on us new challenges with a view to building a new international order based on just and equitable partnerships with mutual benefits to all our countries.

It is in this context that the problems of readjustment and globalisation of the economies are still on the current political agenda. This is so because it is only through the political will of our countries, co-ordination and concerted efforts that we can face the challenge of globalisation which is the new trend in international relations, thereby find lasting solutions to the multifaceted problems of development which unfortunately continue to besiege the world.

In so doing we shall be extending the full exercise of human rights and fundamental liberties to every citizen and thus meet the expectations echoed during the world-wide commemorations of the fiftieth anniversary of the Universal Declaration of Human Rights, on 10 December 1998.

Among the perspectives opening up as result of the end of the cold war, this is the best opportunity for the South countries to join hands with their North partners and define

common actions and interests bearing in mind the regional potentialities.

Our Association is vested with particular symbolism for it encompasses fourteen countries with approximately 1.4 billion inhabitants washed by an Ocean which is the third biggest one of the Planet accounting for half the total cargo vessels traffic, one third of the total maritime traffic and two third of the total oil cargo supplying the world markets.

This region has for centuries gathered experience in trade, linking in a more or less formal, but continuous, way various countries from Africa, the Middle East, Asia and Europe, through the exchange of different merchandise such as garments, spices, ivory, labour, gold and precious stones.

We are proud of being part of an Ocean rim that washes almost twenty- four countries, of which, as we have said earlier, more that a half have joined our Association. The fact that the total number of these countries account for 17 per cent of the global surface and around one third of the world population cannot be overemphasised.

The economic and human capital existing in this region can turn it into a large market with a wide range of investment and competitiveness opportunities. It is therefore important that all our countries should commit themselves with determination to pursuing this strategic objective.

This vast region, extremely heterogeneous in its cultural, religious, and linguistic diversity as well as in physical size and economic power of its countries it has asserted itself as a viable co-operation partner determined to take its seat in the concert of nations in a global economy characterised by sub-regional blocks.

We are particularly moved by the growing interest that we have witnessed in our Association. This interest is demonstrative of its vitality as a privileged instrument of tripartite co-operation that promises to grow throughout the XXI century.

It is our obligation to make of this interest and our diversity a driving force to bring about prosperity for our countries and peoples. This is why we in Mozambique view the initiative of establishing the Indian Ocean Rim Association for Regional Co-operation as a regional forum that brings together Government representatives, the business and academic sectors.

Together we must be prepared to make use of our imagination and find adequate ways of promoting economic co-operation among member countries based on mutual consensus and without interference in each other's sovereignty. As Governments, entrepreneurs and academics we must be prepared to combine our talents for the development of our region.

The establishment of the Indian Ocean Rim Association for Regional Co-operation came about as an effort to meet the concern of our countries to render our common ocean not only a nuclear arms free zone but also one for co-operation for the development of our peoples.

That is why we say that your presence is a honour for us because we have finally realised that working together and seeking for unity rather than factors that serve to divide us we can overcome the adverse factors than are inherent to human nature.

Your Excellencies have a sovereign opportunity to work out strategies, together and without prejudice, geared for prosperity of our countries through regional co-operation combining individual, regional and multilateral co-operation to attract investments and stimulate international trade liberalisation.

**Honourable Ministers;
Ladies and Gentlemen,**

This Maputo meeting is a follow up to the First Ministerial Meeting of our States held in Port Louis, Mauritius, in March 1997, where the Indian Ocean Rim Association for Regional Co-operation was established.

Conscious of the envisaged objectives, we adopted at that occasion important resolutions and recommendations that laid solid foundations towards regionalisation. Its in this spirit that we hope to see our interaction strengthened not only in the Government domain but, above all, in trade, investment, tourism, environment, and academic fields.

In our view, the Maputo meeting will contribute to the fulfilment of these objectives through the identification of new areas of co-operation drawing on the diversity of resources with which our countries are endowed. These areas, if backed with well conceived and pragmatically- implemented policies, can value our common asset, the Indian Ocean, rendering it even more relevant in infra-continental and inter-ocean economic interaction.

Seven years ago it would have been inconceivable for Mozambique to play an active role in carrying forward the cooperation among the Indian Ocean countries. We were seriously affected by the de stabilisation war that the racist and *apartheid* regime waged against the whole southern African region.

Today we enjoy peace as a result of the joint efforts of the Mozambican people who gave privilege to dialogue as a means to put and end to the conflict and encourage reconciliation to help re-build the nation towards development. South Africa herself counted on the world-wide solidarity in the struggle against apartheid regime to win freedom for all and bring about the conditions for her to join us as we plan and pave way for our collective prosperity in the XXI century.

We are free, we are in peace, we are building democracy and laying the foundations for the men and women of our countries to fully enjoy their human rights and their rights as citizens. To us the present meeting is a great contribution to strengthening these achievements which belong to everyone who helped to realise them.

It is a sound and smart co-operation which can ensure that all these indispensable aspects for the development of the human being are materialised and spread to every household and reach each one's heart.

The peace prevailing in Mozambique today allows the country to take its responsibility and focus its efforts on the fulfilment of the Government's Programme. It is a programme conceived primarily to strength the priority areas with a view to promoting the wellbeing of the populations, namely the consolidation of peace and stability, the rehabilitation of the economy, health and education, and rural development.

In this regard, we can say, and appropriately so, that Mozambique has given remarkable steps towards its sustainability, in spite of the negative effects of natural disasters of which we have been victims.

In this context, a remarkable growth in the national economy has been recorded of late, although we do recognise that it is still bellow the minimum necessary to meet the needs of our populations.

The Indian Ocean Rim Association for Regional Co-operation(IOR-ARC) has wide room for co-operation in such a vast country **as** the Republic of Mozambique which has a long coastline of about 2,700 Km with diverse and infinite untapped or even unknown resources.

Bearing in mind that its along the coast that the majority of the population live and that most of their income derives from marine resources, it is important that in the framework of the Association we should strengthen the research on the country's potentialities and resources so as to ensure the designing of policies for their sustainable exploitation.

The success of these activities, the diversification and development of the economy call for our major commitment in staff training projects. It is therefore with satisfaction that we take note of the gradual increase in the number of Mozambicans being trained in your countries, mainly in India and Australia. We hope to further strength this co-operation in the forthcoming years, mainly in tourism, economics, environment, natural resources management, just to mention but a few.

We call upon our countries' academic institutions to come up with concise programmes of co-operation among themselves in the fields of training and research.

On establishing the IOR-ARC, we were certain of the mutual benefits that would be accrued from it. We are satisfied that this objective is not shared by member countries alone but the international community, as a whole. This is a means to share experience and knowledge so as to realise our aspirations as enshrined in the Charter and objectives of the Association,

We must come out of Maputo even more strengthened so as to build a strong co-operative alliance among member states, the business and the academic sectors, whereby

join our talents to encourage the emergence of technical expertise, equitable exploitation of resources, infrastructures development and competitive trade relations geared towards regional and international markets.

Once again, I wish to welcome Your Excellencies and your delegations to our country and hope that the deliberations of this meeting will result in an even closer co-operation among our countries.

I declare the proceedings of the Second Ministerial Meeting of the Indian Ocean Rim Association for Regional Co-operation (IOR-ARC) solemnly opened.

I thank you.

Maputo, 30 March 1999

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

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

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

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

Mr. President
Excellencies
Ladies and gentlemen

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

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

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

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

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

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

Mr. President
Excellencies
Ladies and Gentlemen

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

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

11. The IOR-ARC is an odd creation, spanning **three** continents - Africa, Asia and Australia. What could be more natural than for this strange creature to rest, strangely enough, on three legs. Collectively, we have given a new meaning to tripartism. For us to progress, all three legs must

keep in step. And this is exactly what we, business, academics and Government have been doing. We are increasingly getting our act together. The Indian Ocean Rim Academic Group (IORAG) is developing its think-tank function and coming up with novel ideas and strategies. The Indian Ocean Rim Business Forum (IORBF) has developed successful business networking and is active in the implementation of a number of projects which have a regional dimension, especially those that can spur trade and investment. The various ingredients to energise our co-operation and stimulate faster economic growth are very much there.

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

Mr. President
Excellencies
Ladies and Gentlemen

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

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

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

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

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

Thank You.