

**Speech by**

**DR. THE HON. ARVIN BOOLELL**

*Minister of Foreign Affairs, Regional Integration and International Trade*

**(i) Inauguration of New Premises for the IOR-ARC Secretariat, and**

**(ii) Opening of Bi-annual Meeting of Committee of Senior Officials**

*at NeXTeracom Tower, Ebène at 09.30 a.m on 7 May, 2012*

**H.E. Mr. Sudhir Vyas, Secretary, Economic Relations, Ministry of External, and Chairperson of IOR-ARC Committee of Senior Officials;**

**Members of the Diplomatic Corps;**

**Ambassador K.V. Bhagirath, Secretary General of IOR-ARC;**

**Distinguished Delegates; and**

**Media Representatives**

**Ladies and Gentlemen**

I am particularly pleased to extend to you all a very warm welcome to Mauritius for participation in this two-fold event this morning, namely:

- the inauguration of the new premises housing the IOR-ARC Secretariat, and
- the 2<sup>nd</sup> Bi-Annual Meeting of the Committee of Senior Officials.

**Ladies and Gentlemen,**

It was indeed a singular honour for me to proceed, a few minutes ago, with the inauguration of the new premises of the Secretariat of the Indian Ocean Rim Association for Regional Cooperation. I would like to seize this opportunity to convey the apology of the Prime Minister for not being able to participate personally in the inauguration ceremony.

The decision of the Government of Mauritius to provide these new and state-of-the-art facilities, in the congenial business environment of Eben City, shows our unflinching commitment to the Organisation, and also our earnest desire for our Organisation to deliver on the objectives we have assigned to it.

In a way, today's inaugural ceremony of the new premises of the IOR-ARC, in my view, completes a process of rejuvenation of the Organisation we started a couple of years ago with the adoption of a new charter in 2010, the appointment last year of a seasoned diplomat, Ambassador K.V. Bhagirath, as the new secretary general, and a new chair, India to be supported by a Troika comprising the current, out-going and in-coming chairs of the Organisation. We have

reaffirmed our commitment to facilitate and promote cooperation by bringing together Government, business and the academia.

Moreover, by adopting a new member-driven approach, underpinned by the principle of good governance, we want to ensure the smooth and effective implementation of our programme.

Ladies and Gentlemen,

Mauritius has been closely associated with the conceptualisation and the setting-up of the Indian Ocean Rim Association for Regional Cooperation. Starting with 7 members and a Pilot Coordinating Mechanism in 1997, it has to-day grown into a full-fledged Secretariat. It has a membership of 19 countries from a region of vital strategic importance. Notwithstanding our diversity, we do share a large convergence of interests and values and the objective to promote sustainable development of the region and the member states.

Fifteen years in the life of a regional cooperation Organisation is not too long a period to enable us to make any judgement in view of the complex nature of the issues involved and the need to build consensus. But, it does provide an opportunity to take stock of what we have been able to do together, make adjustment, where necessary, and also to reflect on the various present and emerging challenges.

### **Ladies and Gentlemen**

Since the inception of the IOR-ARC the world has experienced major changes and tasks ahead are daunting. It is confronted with a multiplicity of crisis, including the euro/financial crisis and a gloomy economic outlook Europe. There is also a paradigm shift in the balance of global economic power with the emergence of new global players and drivers of change. This has serious geo-strategic and geo-political implications.

Moreover, most of us are faced with problems associated with climate change, rising food and oil prices and the recent phenomenon of piracy in the Indian Ocean. These challenges underscore the need to constantly build and strengthen resilience and have a more effective coordination of our common development efforts. In spite of the great disparity in the levels of development of our countries, we need to map out a vision of economic cooperation to enhance trade and investment.

The scope of the IOR-ARC has expanded over the 15 years of its existence. Members are willing to cooperate today in areas like Science and Technology, Education, Health, Transport and Maritime Security. There is, no doubt, that increased regional trade within the IOR-ARC region, if pursued properly and equitably, offers the prospects of stronger economic growth through greater regional cooperation and integration. We need also to mobilise the support of our private sector and our Dialogue Partners, in this endeavour.

Mauritius, for instance, attaches much importance to maritime security which is also being discussed in other fora such as EU, AU, SADC, COMESA and IOC. An IOR-ARC Forum on maritime security is expected to be held in Australia later this year. This will be an opportunity to review and examine on-going collaborative work to address the maritime security issues for the region.

In my view, the time has come for our Organisation to build bridges with Africa to which continent some of us belong. Some IOR countries are developing important trade and economic relations individually with an emerging Africa that is increasingly being recognised as the next pole of economic growth and development. I propose that we ask our secretariat to explore the possibility of seeking, as a first step, an observer status with the African Union and Regional Economic Communities, like COMESA and SADC.

Our Organisation has four members which form part of the G-20. We must find a way to discuss issues being treated by the G-20 so that our four members can take on board our concerns and legitimate expectations when decisions are taken. Through such an approach we can help each other and thus better protect and promote our common interests.

**Ladies and Gentlemen,**

The huge amount of natural resources available in our region together with its vast markets for goods, services and investment represent immense opportunities for our economic development that will help enhance the welfare of our people. These resources, including the land mass and vast ocean, will have to be tapped in an effective manner. I am here referring to the blue economy which could be another pillar to sustain our development efforts.

To conclude, I would like to urge our senior officials to come up with concrete recommendations for our next Council Meeting which will be held later this year, in order to take decisively forward our common agenda in a spirit of unity and solidarity.

With these words, I wish the senior officials successful deliberations.

I have now the pleasure to declare the 2<sup>nd</sup> Bi-Annual Meeting of the Committee of Senior Officials open.

Thank you for your kind attention.

**A. B.**

**Opening Remarks by Chair, H.E. Mr. Sudhir Vyas, Secretary, Economic Relations, Ministry of External Affairs, Government of India**

**(i) Inauguration of New Premises for the IOR-ARC Secretariat, and**

**(ii) Opening of Bi-annual Meeting of Committee of Senior Officials**

*NeXTeracom Tower, Ebène, 7 May, 2012*

Your Excellency Hon'ble Dr. Arvin Boolell, Foreign Minister of Mauritius,  
Secretary-General Mr. K.V. Bhagirath,  
Excellencies, Distinguished Heads of Delegations,  
Excellencies, Members of the Diplomatic Corps,  
Ladies and Gentlemen,

Fifteen years ago, IOR-ARC was born of a Mauritian initiative that envisioned a grouping of countries of the Indian Ocean that could help one another in tackling common challenges. Meeting in beautiful Port Louis, we reaffirmed then that the Indian Ocean was an integral part of our collective destiny, and that we needed a holistic vision for a cooperative response to major challenges for this region.

Trade – in spices, textiles, many precious products and manufactures, and borne on the shoulders of monsoon winds – brought together far-flung peoples of the Indian Ocean well before the present nation States came into being. Over the years, while each nation has emerged with a distinct identity, this interaction has left its civilisational impact on all of us. The Indian Ocean is very much a part of our histories, mythologies and cultures.

Through IOR-ARC, we seek to channelise these impulses and pool our resources for the wellbeing of our peoples: to create – in the words of our Charter – common ground for economic cooperation among the countries of our shared maritime domain, and promote sustained growth and balanced development of the region.

IOR-ARC includes member States straddling three continents, at different stages of development and belonging to different regional groupings. IOR-ARC's significance lies in the fact that it is an apex group, the only one that covers the entire geography of the Indian Ocean. That makes it a unique platform, and a most useful one to serve our common purpose.

The ages have gone by, but the relevance of the Indian Ocean in our affairs has continued to grow. The region is rich in resources, ranging from fisheries to minerals, from agricultural wealth to valuable human technical expertise. It is home to almost two billion people, holds two-thirds of the world's oil reserves and produces goods and services worth over \$1 trillion. Intra IOR-ARC trade is about \$777 billion with the potential to grow rapidly.

The Indian Ocean is a critical economic highway. More than three-quarters of all seaborne crude transits through the Indian Ocean and about 40% through Hormuz alone. Half of the world's container traffic crosses the Indian Ocean, a large part through the Straits of Malacca.

The Indian Ocean may well be the most important geopolitical region in an increasingly resource-constrained world. As a much acclaimed 2009 paper by Robert Kaplan points out "the Greater Indian Ocean...may comprise a map as iconic to the new century as Europe was to the last one" and "demographically and strategically be a hub of the twenty-first century world."

The Indian Ocean is of direct strategic importance to us, but also poses challenges that we member nations of IOR-ARC have to deal with squarely, in our own interests. The present maritime security environment in parts of the Indian Ocean is fragile. Growing instances of piracy and armed-robbery at sea threaten shipping and commerce. Our region is marked by

extreme economic diversities, and weak governance at points on the Indian Ocean littoral, notably the Horn of Africa, compound the maritime security milieu. Complicating the threat are signs of a tactical nexus between piracy and terrorism.

Economic growth, sustainable development and institutional enhancement are amongst the primary instruments in our hands. There are strengths within our region that we must put to use in forging mutually beneficial partnerships - our youth, the entrepreneurial spirit of our people, our tourism potential, our natural resources and so on. Trade facilitation and improvement in export-related infrastructure can have a dynamic effect on competitiveness and economic integration, create growth opportunities and support effective development strategies.

Our region has seen the tragic consequences of natural disasters. The eastern rim is a seismically active belt. Other parts have been frequent victims of severe cyclonic damage. Energy transport lanes criss-cross our domain, and an oil spill can have a devastating impact. The tsunami of 2004 is a grim reminder of the need for IOR-ARC members to work together to enhance their capability to deal with such eventualities through early warning systems, timely delivery of humanitarian assistance, and so on. The study of our common domain, its mapping, hydrology, the monsoons that are crucial to our agricultural economies, the implications of climate change, marine and coastal biology – all these are in our direct interest, and represent areas in which our researchers and academics can cooperate for common benefit.

IOR-ARC has experienced steady progress since its inception in 1997. As an apex body of our region, we base our cooperation on the principles of open regionalism, and have collaborated in a number of diverse areas ranging from educational, cultural and tourism exchanges to capacity-building, from disaster management to collaborative projects between research institutions, and several others. Our organization has developed mechanisms for effective decision-making and implementation, and institutions that have served us well, but, given the heightened salience of our region and our focused agenda today, now call for review and enhancement of their capacities and procedures.

Keeping in mind the contemporary scenario and challenges confronting our region today, the last Council of Ministers' meeting at Bengaluru identified six priority areas for the work of our organization: *Maritime Safety and Security, Trade and Investment Facilitation, Fisheries Management, Disaster Risk Reduction, Academic and S&T Cooperation, and Tourism Promotion and Cultural Exchanges*. There is enormous untapped potential for cooperation in each of the six areas. This is a most significant decision that will give depth and direction to IOR-ARC, and serve our countries' interests today and in the long term as well.

I would like to take this opportunity to thank His Excellency, the Hon'ble Foreign Minister of Mauritius and the Government of Mauritius for their generosity in providing these excellent new premises to house the IOR-ARC Secretariat. The vision and the dedication with which Mauritius has steered this initiative, and the faith that it has consistently reposed in IOR-ARC's potential, is most commendable - and I am sure I speak on behalf of all of us gathered here in expressing our deep appreciation for its constant support. I also thank the Government of Mauritius for the hospitality and the warmth with which we have been received.

I thank Secretary-General Ambassador Bhagirath for his leadership and guidance for the activities of IOR-ARC and wish him the very best in the service of this organisation.

Ladies and Gentlemen,

I would like to emphasize, in conclusion, that we see the IOR-ARC as a vehicle for the transformation of the lives of the peoples of the Indian Ocean Rim. In their plurality and diversity lie immense possibilities. India, as the current Chair of IOR-ARC, is keen to work with its partners and see this Association make tangible progress to unlock the regional potential and deliver positive outcomes. We are all committed to this responsibility and we intend to bring to the task all the dedication and practical intent at our command.

Thank you.

**Welcome by Ambassador K.V Bhagirath Secretary General IOR-ARC**

**(i) Inauguration of New Premises for the IOR-ARC Secretariat, and**

**(ii) Opening of Bi-annual Meeting of Committee of Senior Officials**

*NeXTeracom Tower, Ebène, 7 May, 2012*

H.E. Dr The Hon. Arvin Boolell, Minister of Foreign Affairs, International Trade and Regional Cooperation, Republic of Mauritius.

H.E. Mr Sudhir Vyas , Secretary, Economic Relations, Ministry of External Affairs and Trade, Government of Australia, Vice Chair of IOR-Arc.

H.E. Mr Mark Pierce, Assistant Secretary, dept of Foreign Affairs and Trade, Government of Australia and Vice Chair of IOR-ARC.

Excellencies, the Heads of Delegations of IOR Member States

Excellencies, Heads of Missions, Ambassadors, High Commissioners & Heads of International Organisations

Distinguished Delegates of IOR Member States

Ladies and Gentlemen,

It gives me immense pleasure to accord a very warm welcome to this distinguished audience on this historic day. We meet today not only to inaugurate the Secretariat of the Indian Ocean Rim Association for Regional Cooperation, but also to declare open the Second Bi –Annual Meeting of the Committee of Senior Officials.

It is a privilege that the Hon.ble Minister of Foreign Affairs Dr Arvin Boolell is here with us today for both events. I thank him profusely for his gracious presence. We have all just witnessed the ribbon cutting ceremony, whereby the IOR Secretariat has been inaugurated. On behalf of the IOR Secretariat, I convey to the Hon’ble Minister our deep gratitude on this momentous occasion. I also take this opportunity to emphasise to the distinguished Heads of Delegations of IOR Member States that this is very significant event which promises the realisation of the true potential of this organisation.

Excellency, the Meeting of the Committee of Senior Officials which will be declared open by you today, is being held for the second time in Mauritius.

The First was in March 1998. A few of us, I believe, can lay claim to having been present then too. The deliberations which will take place later today and tomorrow come in the wake of the reprioritisation of areas of Cooperation formulated by the Council of Ministers meeting held in and chaired by India last of November . It will be our collective endeavour to carry forward this ambitious agenda. On behalf of the IOR Secretariat I reiterate our full commitment to meet this challenge. I would also like to mention that I am overwhelmed by the significance of this meeting taking place here in the IOR Secretariat and am confident that this is the beginning of a new and dynamic phase in the evolution of the organisation.

Excellencies, Distinguished Ladies and Gentlemen, I once again accord all of you a very warm welcome to the Secretariat of the Indian Ocean Rim Association for Regional Cooperation.

Thank you.

**Welcome and Opening remarks of H.E. Mr. Sudhir Vyas, Secretary, Economic Relations, Ministry of External Affairs, Government of India, at the 2nd Bi-Annual Meeting of the Committee of the Senior Officials (CSO) InterContinental Mauritius Resort Balaclava Fort Balaclava, Mauritius 7-8 May 2012**

Your Excellency, Mr. Mark Pierce, Vice-Chair of the CSO,  
Your Excellencies, Heads of Delegations,  
Your Excellency, Mr. Secretary-General, Ambassador KV Bhagirath,  
Ladies and Gentlemen,

I welcome you all at the 2<sup>nd</sup> Bi-Annual Meeting of the Committee of Senior Officials. I am delighted that you have taken time from your busy schedules to travel to Mauritius for this meeting. After consultation with Vice-Chair Australia and Secretary-General Bhagirath, we sought the convenience of the Government of Mauritius to formally inaugurate the Secretariat premises that the Mauritius Government has so generously offered for our use, at considerable expense – we concluded the inauguration this morning – and use the occasion to host our Bi-Annual Meeting here. Besides, it does not require much persuasion to visit this lovely island. We should meet here regularly and put the Secretariat facilities to optimum use.

As Chair of the Committee of Senior Officials, and on behalf of all members of IOR-ARC and my own delegation, I would like to record our gratitude to the Government of Mauritius for hosting the Association's Headquarters. This is only appropriate, given the centrality of this location to Indian Ocean affairs. Indeed, IOR-ARC owes its creation to Mauritius' initiative.

On behalf of all of us gathered here, I thank our host today, the IOR-ARC Secretariat, for the excellent arrangements and hospitality that we have all enjoyed since our arrival. I compliment Secretary-General Ambassador Bhagirath for his dynamic leadership of the affairs of the Secretariat and wish him and his colleagues every success in their efforts.

IOR-ARC has come a long way since its creation in 1997, and has a dynamic role to play in a maritime domain that is increasingly critical for the global economy. Its approach and mandate is wide, and over the years has enlarged to touch upon many areas that touch on its core objective of promoting the socio-economic wellbeing of our countries and peoples.

Successive Council of Ministers' meetings have taken note of the steady progress of the Association and given the Association focus and direction. In the last Council of Ministers' meeting held at Bengaluru, the Foreign Ministers identified six priorities for our cooperative agenda namely: *Maritime Safety and Security, Trade and Investment Facilitation, Fisheries Management, Disaster Risk Reduction, Academic and S&T Cooperation, and Tourism Promotion and Cultural Exchanges.*

Our agenda today has been drafted with these directives in mind. The meeting gives us an opportunity to take stock of the progress so far, to brainstorm and come up with new ideas. We would look for initiatives to advance our cooperation in each of these key areas, in a meaningful manner that holds practical value for us, and to put things in proper perspective before the next Council of Ministers' meeting. I look forward to making our deliberations productive and fruitful.

India attaches special importance to the IOR-ARC and as the current Chair of the IOR-ARC is deeply committed to the Association. To conclude, I reiterate India's commitment to work with other members to make IOR-ARC a success and enhance our cooperation for the common benefit of our peoples.

Thank you.

**Report of the Secretary General, Ambassador K.V. Bhagirath**  
**At the at the 2nd Bi-Annual Meeting of the Committee of the Senior Officials (CSO)**  
**InterContinental Mauritius Resort Balaclava Fort**  
**Balaclava, Mauritius**  
**7-8 May 2012**

The Chair of the Bi-annual Meeting of the Committee of Senior Officials, H E Mr. Sudhir Vyas, Secretary, Economic Relations, Ministry of External Affairs, Government of India.

The Vice Chair, H E Mr. Mark Pierce, Asst Secretary, Ministry of Foreign Affairs and Trade, Government of Australia,

Excellencies The Heads of Delegations of IOR ARC Member States

Distinguished Delegates,

It is indeed a great pleasure for me to welcoming you all for your participation at this the Second Bi-Annual Meeting of the Committee of Senior Officials. As mandated by the Council of Ministers, in their meeting in Sana'a, Republic of Yemen, in 2010, to hold this meeting in order to bring in the required continuity and to conduct a mid-year review of the various projects and commitments, I believe that the quality of the participation today, and the presence of such high dignitaries, is indicative of the usefulness of this exercise.

I am happy to inform you that the Meeting of the Core Group on Promoting Cultural Cooperation among IOR member states was hosted in Mauritius by the Secretariat on April 2, 2012. It was chaired by India and attended by delegates from Australia, India, Mauritius, Madagascar, the Sultanate of Oman, Seychelles and Sri Lanka. The Islamic Republic of Iran had conveyed that the advance notice received for the meeting was not sufficient for it to send a delegation, which it was keen to India as the Lead Coordinator will be submitting the report on the event.

I am also happy to inform you that the Sub-Committee of UMIOR (University Mobility in the Indian Ocean Region) being the programme for the development of bilateral and multilateral university student and faculty exchanges, was hosted by South Africa in Pretoria on May 3-4, 2012, with the purpose of finalising the Draft Constitution for UMIOR. We look forward to the progress made at this meeting from the report to be presented by South Africa.

I would also like to mention that the 13th Meeting of the Working Group of Heads of Missions (WGHM) based in Pretoria met on April, 19, 2012, Pretoria, South Africa. The meeting was hosted and chaired by the High Commissioner of India to South Africa. This meeting was attended by Heads of Missions and representatives from all IOR Member States. The report of the same has already been circulated to Member States by the Secretariat.

I would now like to report on the on-going projects.

The Feasibility Study on Tourism, for which the Sultanate of Oman is the Lead Coordinator, was presented at the IOR Business Forum in Bengaluru in November 2011. The report has been made available to all Member States. Keeping in view the important role played by tourism in the economy of IOR member states. Recommendations and comments were invited from member states, and we have received the same from Bangladesh and Thailand. I believe some more time is required for a thorough examination of the report by the concerned agencies. Member States are invited to convey the current status of the same.

The management of Fisheries was one of the priority areas highlighted by the Council of Ministers Meeting in Bengaluru. The Fisheries Support Unit is operational in the Sultanate of Oman. An Action Plan is proposed to be formulated by Australia and the Sultanate of Oman, on the sidelines of a meeting of the Indian Ocean Tuna Commission. However, since this meeting could not take place, it is understood that a meeting is to be scheduled at the Maritime Science and Fisheries Centre, Sultanate of Oman, to be Co-Chaired by Australia and the Sultanate of Oman. I invite Australia and the Sultanate of Oman to brief the CSO on the current status of the project.

The Maritime Transport Council proposal, to which the Sultanate of Oman has reiterated its commitment, is a challenging project which merits the focus of all IOR member states. It is a proposal that deserves further discussion and I would request the Sultanate of Oman to brief the CSO on its current status.

Keeping in view the fact that, in the promotion of Trade and Investment lay the genesis of IOR-ARC, and recognising the critical importance of the same, I am happy to inform you that the study on 'Trade and Investment Prospects of the IOR-ARC in the New Millennium – New Economic Frontier of the Region', will be launched in an International Conference to be hosted by India on July 12-13, 2012. I invite India to inform the CSO on this important project.

Excellencies, the Review of the Administrative Arrangements for the Special Fund which has been carried out by the Secretariat, especially mechanisms for oversight and accountability, has been a painstaking exercise mainly due to the absence of appropriate specialised expertise. I believe that this review should be a continuing process which simplifies procedures in order to encourage project proposals from member states. It is also important to recognise the need to consider implementing projects beneficial to less developed member states.

The Council of Ministers placed Maritime Security at the top of its list of its prioritised list of areas of cooperation in the Bengaluru Communique. There are several projects on the anvil and I request member states to emphasise their commitment to strengthen cooperation so that IOR-ARC becomes an effective instrument which facilitates a common and mutually-beneficial platform for all member states.

I would like to make a special mention here of the Conference on 'the Political Economy of Maritime Africa in the Indian Ocean Region'. An earnest effort was made by the Indian Ocean Research Group to organise it in Nairobi after getting the clearance from the Government of Kenya. However, owing to the organisers falling short of funding sources, the event has now been scheduled for July, 2013. I would request member states to support IORG to organise this event.

There are several new projects, proposals and studies and we look forward to hearing further details from member states.

Excellencies, in conclusion, I would like to state that the IOR-ARC Secretariat is deeply honoured by the confidence that member states have reposed in it and the hosting of this Meeting of the Council of Senior Officials is a culmination of the same. Our sole purpose is to make your deliberations purposeful and productive and your stay pleasant and memorable. If we succeed in this objective Your Excellencies, I believe the IOR-ARC would have earned the privilege to make this bi-annual mid-term review a regular event on the calendar of this beautiful island.