

STATEMENT BY H.E. DATUK DR. LEO MICHAEL TOYAD,
LEADER OF THE MALAYSIAN DELEGATION
TO THE
INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL COOPERATION (IOR-ARC),
FIRST MINISTERIAL MEETING
5-7 MARCH 1997

MR. CHAIRMAN,

It is indeed an honor for me personally as well as for Malaysia, to participate in this first ministerial meeting of the Indian Ocean Rim association for regional cooperation – IOR-ARC. Malaysia looks forward to working closely with other members to help achieve the objectives and aspirations of this association.

Before i proceed any further, I would like to convey through you, Mr. Chairman, our gratitude to the government of Mauritius for the excellent arrangements made for this meeting and the kind hospitality extended to me and my delegation.

IOR-ARC, we believe, can play an important role in promoting trade among countries in the region and this in our view could have a positive impact on the effort to bring about greater south-south cooperation which Malaysia has been advocating. We should strive to make trade among developing countries as the locomotive of growth for the south. Let us therefore proceed along this path.

In this era of globalization to have access to information is vital – making information technology or i.t., an important factor for progress and development. I.t. Has turned the world into a huge market place – increasing the scope for business opportunities.

Realizing the importance of i.t. In economic development, Malaysia has decided to launch the multimedia super corridor – Msc in short. Msc is truly a world first – the careful creation of the region with infrastructure, law, policies, and practices that will enable companies to explore the information age without any of the usual constraints that frustrate them.

I would not want to go into the technical details of Msc except to mention here that member countries of IOR-ARC that are quite advance in information technology may wish to encourage their companies to participate in the Msc. Companies are welcomed to locate their factories or establish joint-venture activities with local Malaysian companies. We are looking for “smart partnership” to create a win-win relationship between companies and the government.

Mr. Chairman,

I am glad to note that at this meeting we will, be adopting the charter of the IOR-ARC. This is indeed an historic moment as it marks the formal launching of the association. We have come a long way from an initiative to being an association. However, i would like to state here, Mr. Chairman that the failure and success of the association will very much depend on us – members. It is therefore important for us to remain committed to the fundamental principles and objectives of the charter.

While IOR-ARC should strive to be an association that is project – oriented, it is important for members to be in a position to be able to examine thoroughly the viability of each project from the point of view of implementation. Proposing projects, i must say is an easy process but implementing them could be difficult and at times could pose problems that could hinder cooperation. Projects proposed and accepted but not successfully implemented could have a negative impact of the association, besides dampening member’s enthusiasm towards fostering greater cooperation. It is our view that some kind of mechanism should be worked out to enable our senior officials to undertake the task of appraising and evaluating the projects.

In undertaking the task, the senior officials may wish to work closely with the business group within the context of the Indian Ocean Rim Business Forum. The active involvement of the private sector is essential to the success of IOR-ARC venture. Policies and activities evolved in IOR-ARC must meet the needs and expectations of the private sector. In our view the private sector should be promoted as the engine of growth. And the role of the government will be to provide a correct and conducive environment. This could be achieved through the removal of all cumbersome administrative regulations that could hinder trade cooperation among members. Coordination of policies should also be given consideration as it does have an impact on our efforts in bringing about effective cooperation.

The Indian Ocean is a region of great economic potential. Members of IOR-ARC should take advantage of the abundant opportunities available by bringing about closer economic cooperation among countries in the region. In this regard Malaysia feels that all countries surrounding the Indian Ocean qualify to become members of IOR-ARC. We should not be exclusive and IOR-ARC should pursue a policy that would ensure mutual enrichment.

As IOR-ARC expands in terms of activities proper and effective coordination would be required. Lack of coordination will only make our efforts towards fostering greater cooperation difficult and sometimes meaningless. The establishment of a supporting mechanism may therefore be necessary for the purpose of coordinating the IOR-ARC activities and Malaysia supports any moves towards this direction.

Lastly, I would like to state here that Malaysia as a member would participate actively in IOR-ARC activities and it is ready to make the necessary contribution, so that together we will be able to achieve the objective of the association as enshrined in the charter.