

# INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL CO--OPERATION

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**Materials submitted by the Co-ordinating Secretariat of the Indian Ocean Rim Association for Regional Co-operation for the International Conference on the Indian Ocean: Forging Unity: Coastal Communities and the Indian Ocean's Future, Chennai, India, 9-13 October, 2001**

The creation of the IOR-ARC has been a steady march with, inevitably, a long series of meetings touching a number of issues. Most of these meetings were held in Mauritius. There was also a very high level of political commitment and there was consensus on many fronts.

The tripartite approach to our regional economic programme and the overall agenda – a bit unique in the history of regional co-operation – made the creation of the IOR-ARC less difficult and more harmonious. The roles of Governments, the Academia and the Business Sector were to ensure a broad-based agreement in the Indian Ocean Rim concept.

It was against this backdrop that the Indian Ocean Rim Academic Group and the Indian Ocean Rim Business Forum were created. Let us not forget that the Indian Ocean Rim Academic Group has as one main objective the promotion of intellectual dialogue and undertaking co-ordinated research activities in the region.

Following these developments, the Charter establishing the IOR-ARC was adopted in March 1997, and this was a milestone in the history of the Organisation. By then, we were **fourteen** Member States and the activities of our three constituent bodies moved relentlessly to implement a Programme of Action cutting across many priority sectors. In the following two years, the Pilot Co-ordinating Mechanism graduated into a full-fledged Co-ordinating Secretariat.

A Headquarters Agreement between the IOR-ARC and the Government of Mauritius was also signed making provision for the Co-ordinating Secretariat to enter into contractual obligations and enjoy the facilities, immunities and privileges that are normally extended to International Organisations. Besides, we have adopted the Rules of Procedure governing the conduct of the IOR-ARC business. This mechanism is of vital importance in our decision-making process. These hyper-activities gained *momentum* and we are to-day continuing with added dynamism.

At the Council of Ministers of the IOR-ARC in January 2000 in Muscat, the Sultanate of Oman, five new members were admitted: The People's Republic of Bangladesh, The Islamic Republic of Iran, The Republic of Seychelles, The Kingdom of Thailand and The United Arab Emirates; and there are five Dialogue Partners: The People's Republic of China, The Arab Republic of Egypt, The Republic of France, Japan and the United Kingdom, and one Observer: The Indian Ocean Tourism Organisation (IOTO). We have, therefore, created the critical mass necessary for the Association to take up the challenges brought about by globalisation and internationalisation of our economies. The IOR-ARC is also being increasingly recognised on the international scene.

The IOR-ARC has now a large constituency and it has grown into a big organisation. The 19 Member States, the five Dialogue Partners and the Observer represent a combined population of half the World's population. It also represents the single largest market in the World, but **if** and only **if**, we were organised as a single market. This is, however, not the case.

At present, the level of intra-regional IOR-ARC trade stands only at 22 per cent. This is not quite encouraging. Notwithstanding this fact, however, we have a commitment to the global trade liberalisation process, consistent with WTO principles. There is a commitment to non-discriminatory trade regimes and there are appropriate conditions for us to address new policy objectives and options in terms of trade, information technology, E-Commerce, Fisheries, Communications – to name but a few.

The IOR countries have the resources, including the vast oceans with its huge marine and fisheries potential, the know-how, the technology, the large pools of academics, experts and business opportunities to give an additional dimension to another fast-track approach of new ideas and strategies to deepen the co-operation and integration process.

We have, at present, more or less completed this First Phase of bringing our peoples together in a spirit of friendship, and solidarity. There is definitely a sense of belonging as well as a collective identity.

However, we need to be pragmatic and realistic. Our economies are immensely diversified with varying levels of economic and social development. These are important disparities that we need to reckon with. But these should not, in any way, be a deterrent to the objectives that we have set. The disparities are there and will be there. But they should be seen as examples of unity in diversity – bearing in mind, obviously, the fact that the *sine-qua-non* condition to unity is shared responsibilities.

Mention has been made about the first phase of developments in IOR-ARC. No doubt, there have been some realisations and concrete actions taken to reach the modest level at which we are to-day. We are now at a critical juncture to move the co-operation process forward at a faster speed – to address our work programmes, to complete our feasibility studies and to implement the projects. We have a wide portfolio of projects undertaken by the IORAG, the IORBF and the Working Group on Trade and Investment.

We are all presently discussing the future of the Chair and Associate Fellows in Indian Ocean Studies, the seat of which is on this campus. Besides, there are a number of important meetings scheduled for this last quarter of the year. The Republic of South Africa is hosting another Group of Experts Meeting in Technology Enhancement in the Indian Ocean Region. There is the Group of Experts Meeting on Fisheries which has just taken place in Oman where we have come up with quite some recommendations.

It is an undisputed fact and a recognised reality that the fisheries sector should to-day occupy a predominant place on the implementation agenda of our work programme. Consequently, there has been a clear understanding on the need to formulate concrete recommendations for co-operation in the fisheries sector within the Indian Ocean Rim.. Future co-operation in this critical area can include:

- Fisheries research and development
- Fisheries management
- Aquaculture
- Fisheries trade

Besides, there have also been a lot of emphasis on investment in fisheries, training, joint ventures on fish and fisheries products, the facilitation of fish trade by reducing trade barriers and joint promotion strategies to promote the fisheries sector.

There should, indeed, be more exchanges with a view to developing and managing our fisheries on a sustainable basis. As a matter of fact, we have to discard the conventional concept that the fishing industry is a traditional industry which only offers employment and income – most of the time at very low levels – to the rural population. We have a lot and a lot more to do to increase production, to upgrade the quality of our products so that we are globally competitive and reach the level where economic well-being attains our fishermen, and our population in general.

Coming back to the IOR-ARC, work is also going on to have some harmonised position among Member Countries at the next World Trade Organisation Ministerial Conference in Doha, Qatar, in November 2001.

The IOR-ARC is presently engaged in a very important exercise to look at this future orientation. In fact, a High-Level Task Force has been appointed by the Council of Ministers to study *inter-alia* the future direction of the Organisation, the organisational structure and funding of the Secretariat, the modalities for the interaction of Member States and Dialogue Partners. The Terms of Reference (TOR's) for the High-Level Task Force will be finalised at a Meeting in Sri Lanka in a week's time from now and a draft Final Report of the High-Level Task Force should be ready for circulation to Member States by end-December 2001. There will inevitably be quite some developments following the adoption of the Report by the Council of Ministers.

The IOR-ARC aspires to be a coherent and solid regional economic grouping including all its constituent bodies – Governments, the Academic Group and its Researchers, the Business Forum and the Civil Society. Our approach to regionalism, since the issue came on the agenda in 1990 was never considered to be a Government-to-Government business. We could have well relied on our bilateral agreements for this purpose. The IOR-ARC has been designed for all stakeholders to play a pro-active role in the process of regional co-operation and economic integration. This two-day Conference on «Forging Unity: Coastal Communities and the Indian Ocean's Future» bears testimony to this privileged instrument of co-operation that prevails in the Indian Ocean Rim.

I wish you a most successful Conference.