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 21st 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 gaain 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