STATEMENT BY HIS EXCELLENCY PROF S JAYAKUMAR MINISTER FOR FOREIGN AFFAIRS AND LAW REPUBLIC OF SINGAPORE AT THE FIRST MINISTERIAL MEETING OF THE INDIAN OCEAN RIM ASSOCIATION FOR REGIONAL COOPERATION

The Honourable Paul Berenger, Deputy Prime Minister and Foreign Minister of Mauritius,

Distinguished Colleagues,

Ladies and Gentlemen,

Like my other colleagues, I am pleased to be here today in Mauritius to launch a new dimension of cooperation in the Indian Ocean region. Let me also commend Mauritius for the leading role your country has played over the past two years in guiding this grouping to fruition and also thank H.E. Prime Minister Navinchandra Ramgoolam for his inspiring address.

Singapore considers it a privilege to have been involved in the Indian Ocean Rim Initiative since its inception. We are a trading and maritime nation with a long history of economic and trade linkages with the Indian Ocean region. Singapore therefore welcomes this timely avenue for greater consultation and cooperation in the Indian Ocean region. We support the Charter that we are adopting today and hope that the IOR-ARC will play a catalytic role in developing the potential in this region.

Mr. Chairman,

In the lead up this meeting, a number of countries have indicated their keenness to join the IOR-ARC. The enthusiasm of our regional neighbours to join the IOR-ARC is a healthy sign. That there are applicants for membership even before the grouping has been formally launched, gives reassurance that we must be on the right track. Singapore believes that the inclusive approach in the IOR-ARC should be continued. The door must not be shut to our friends who are also part of the region in which we aim to promote greater economic cooperation.

The question of new membership understandably may not have been the most pressing issue while the grouping was being nurtured towards its launch. But as the IOR-ARC establishes itself, we need to devise a systematic and objective way to address the issue of expansion and new membership. The transparency of our decisions on this issue is also of great importance. Otherwise, the IOR-ARC runs the risk of losing its credibility with those countries knocking on the door. I am pleased to note that our senior officials are giving this matter the due attention it deserves by recommending that a working group be established.

Mr. Chairman,

There will always be critics who believe that the Indian Ocean region is too diverse to be brought together effectively. Singapore is of the view that the diversity among the members of IOR-ARC provides a range of complementarities, which could be tapped. One good way to maximise these complementarities is to explore new areas of cooperation not undertaken elsewhere. Therefore it is important that the Work Programme of the IOR-ARC does not duplicate what is already being done at other regional fora. Our aim should not be to create competing processes with other regional fora, but to promote intra and inter-regional cooperation.

The IOR-ARC is now taking its first steps. As with all new ventures, there is some anxiety over how steady those first few steps will be. Our grouping comprises a range of economies that are developing at different rates. Our first few steps must therefore be at a pace that is both comfortable for the less mature economies and also satisfactory to the more developed ones. There need be no embarrassment in modest beginnings. A regional forum like this one takes time to develop. Increased contact and interaction will gradually build comfort levels and instill confidence. A small but effective and realistic start will stand the IOR-ARC in good stead for the long run. Only when we are more familiar with each other, can we start to take bigger strides and quicker steps in a more coordinated and concerted effort.

In the same way, the institutional support systems, such as a secretariat, could be built up gradually, as the substance of our cooperation develops. As the IOR-ARC finds its footing in the global scheme of things, an incremental approach will allow us to take stock and fine-tune our development along the way. Singapore's experience at ASEAN has shown that modest beginnings could lead to dynamic results further down the road. Starting small gives one adequate latitude, during those crucial early days, to continually adjust one's resources according to ever-changing global realities. I am aware our officials have worked hard to devise a pilot mechanism to facilitate the IOR-ARC's growth. We agree that this mechanism be based in Mauritius as recognition of the major role it has played in the founding of the IOR-ARC. This is a realistic arrangement, which will help our young organisation to evolve pragmatically into a serious organisation that will be reckoned with by others.

Mr. Chairman,

A unique feature of our body is that we are providing a forum for increased contact in the Indian Ocean region. The tripartite nature of this interaction is an excellent component of the IOR-ARC. The real value of meetings like this one, lay in the contact and networks being built up between our business and academic leaders.

Governments can send the correct signals to facilitate trade and investment, but it is the traders and investors who will shape the economic future of our region. The role of academic research in identifying regional trends and providing valuable training to the businessmen of tomorrow is no less significant. Bringing these sectors together will help identify the trends and needs of the economies in our region. These needs may vary

between countries and sub-regions, but the system of voluntary participation and "variable geometry" rightly allows each member state the flexibility to consider its own resources and prioritise its own commitments.

Mr. Chairman,

Singapore is a small country with limited human resources. May I assure you, that even with these constraints, Singapore is committed to playing a constructive and meaningful role in the IOR-ARC. My delegation looks forward to fruitful discussions and exchanges here in Mauritius, as we renew old ties and forge new friendships under the auspices of the IOR-ARC.

Thank you