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# Indian Ocean Rim Association

Published On: 15-10-2023

**Why is in news?** How is the IORA a key bloc for India?

**‘Reinforcing Indian Ocean Identity’** was the banner theme at the Indian Ocean Rim Association’s (IORA) Council of Ministers (COM) held in Colombo on October 11 that was attended by foreign ministers and senior officials of the 23-nation grouping of countries.

This year’s conference was marked by a lot of interest from other countries, especially those who are “dialogue partners” or would like to become dialogue partners, putting a spotlight on the 26-year-old organisation, believed to be the brainchild of former South African President Nelson Mandela.

## IORA:

The Indian Ocean Rim Association includes **23 countries** from Africa, West Asia, South Asia, South East Asia, Australia and littoral states situated in and around the Indian Ocean.

**Indian Ocean Rim Initiative (IORI)** and the **Indian Ocean Rim Association for Regional Cooperation (IOR-ARC)** are its former names.

The IORA was **formed in 1997** (then called the Indian Ocean Region-Association for Regional Cooperation) **in Mauritius**, its genesis came from a speech Nelson Mandela gave in Delhi in 1995.

It was established by the **conclusion of a multilateral treaty** known as the **Charter of the Indian Ocean Rim Association for Regional Cooperation**.

The Indian Ocean Rim Initiative was **initially formed by South Africa and India**.

Mauritius and Australia were subsequently brought in.

In March 1997, the IOR-ARC was formally launched, with seven additional countries as members: Indonesia, Sri Lanka, Malaysia, Yemen, Tanzania, Madagascar and Mozambique

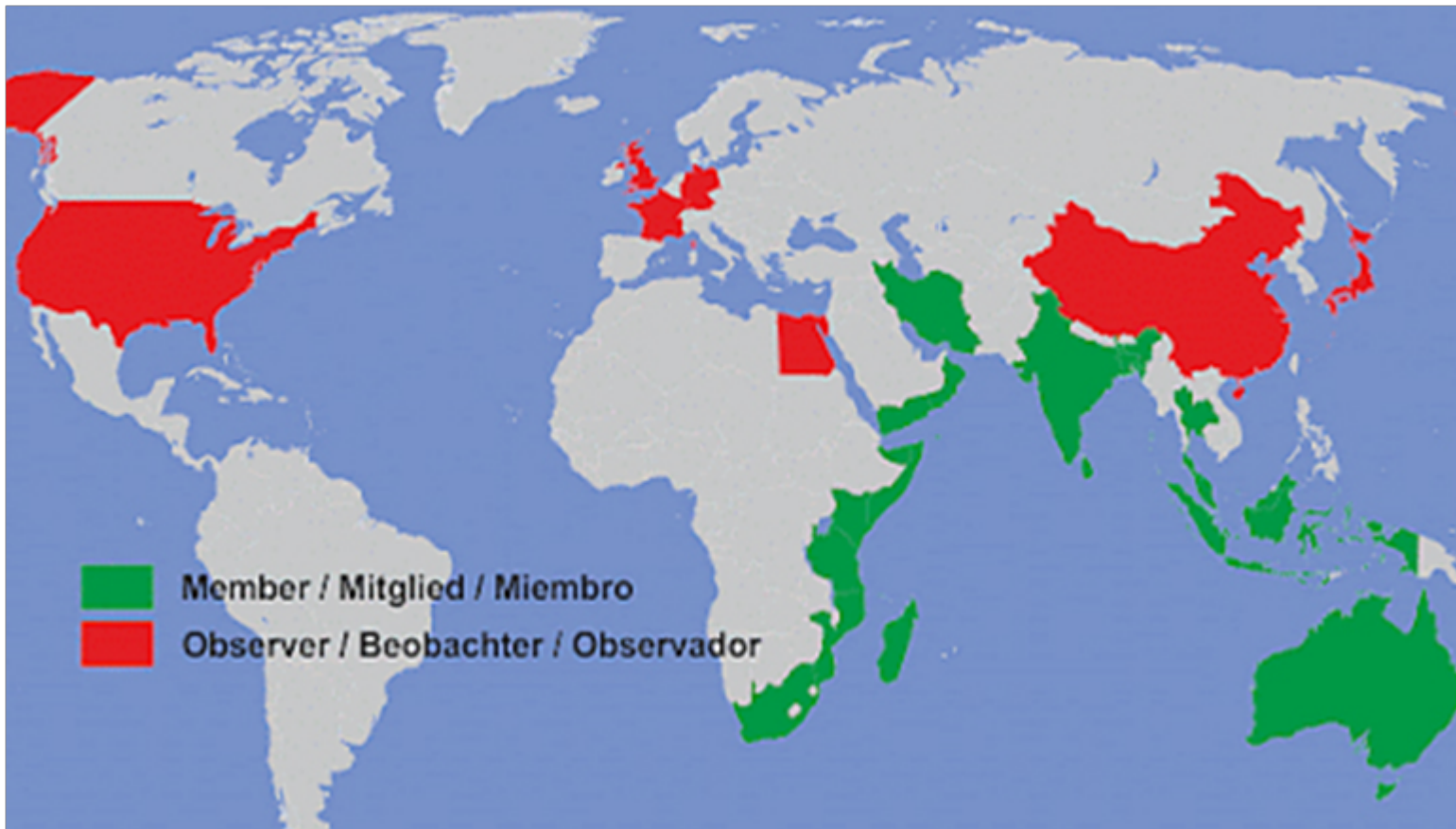
Member includes **23 countries**: Australia, Bangladesh, the Comoros, France, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, the Maldives, Mauritius, Mozambique, Oman, Seychelles, Singapore, Somalia, South Africa, Sri Lanka, Tanzania, Thailand, the UAE and Yemen.

**11 dialogue partners**: China, Egypt, Saudi Arabia, Germany, Italy, Japan, South Korea, Russia, Trkiye, the U.K. and the U.S

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The IORA is a **regional forum, tripartite in nature**, bringing together representatives of Government, Business, and Academia, to promote cooperation and closer interaction among them.

**Sri Lanka took charge as Chair this year 2023** from Bangladesh, and India is Vice-Chair, meaning that the troika of IORA is within the South Asian region.

It is based on the **principles of strengthening Economic Cooperation**, particularly on Trade Facilitation and Investment, Promotion as well and Social Development of the region.

The grouping, whose **apex body** is the **Council of Foreign Ministers that meet once a year, moves by rotation through members every two years.**

The Coordinating Secretariat of IORA is located at **Ebene, Mauritius.**

### **Objectives:**

To promote sustainable growth and balanced development of the region and member states

To focus on those areas of economic cooperation that provide maximum opportunities for development, shared interest and mutual benefits

To promote liberalization, remove impediments, and lower barriers towards a freer and enhanced flow of goods, services, investment, and technology within the Indian Ocean rim.

### **Why does the Indian Ocean Region matter?**

**A third of the world's population (2.6 billion people) live in the region, and 80% of global oil trade, 50% of the world's containerised cargo and 33% of its bulk cargo passes through it.**

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The region produces a **combined total of \$1 trillion in goods and services and intra-IOA trade** is billed at around \$800 billion.

India's **other regional organisations**, like SAARC (South Asian Association for Regional Cooperation) and BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation), face their own challenges.

While the QUAD (Quadrilateral Security Dialogue) has made progress, it remains U.S.-led, along with military allies Australia and Japan.

Meanwhile, **China is actively trying to rope in India's neighbours** with groupings like the Belt and Road Initiative (BRI), China-Indian Ocean Region Forum on Development Cooperation, China-South Asian Countries Poverty Alleviation and Cooperative Development Centre, which exclude India.

IOA, however, **remains a "safe space" for India and other countries** of the region that wish to keep out the constant challenge of big-power rivalries.

IOA **membership is based on consensus**, and Pakistan has not been admitted to the grouping since it first applied in 2001, on the basis that it has not extended MFN (most favoured nation) status to India, making the IOA a less contentious space for India as well, compared to groupings like the Shanghai Cooperation Organisation (SCO).

International cooperation for **anti-piracy** has been one of the fine success stories. Earlier in Somalia and Gulf of Aden etc there was the issue of piracy which have now been contained.

There has been an accord signed on the **cooperation against terrorism**. Sharing of information between members.

### **Focus of IOA:**

The IOA's **seven priority areas** are maritime safety and security; trade and investment facilitation; fisheries management; disaster risk management; academic, science and technology; tourism and cultural exchanges; and gender empowerment.

The IOA **also runs a special fund** in addition, disbursing \$80,000-\$150,000 for project grants to members, and has a particular focus on climate change.

It is clear that **strategic issues** and the importance of keeping a free and open sea lane, guarding against piracy, have become an integral part of the discussions.

Speaking at the conference this year, External Affairs Minister of India stressed the importance of maintaining the Indian Ocean as a **"free, open and inclusive space"** where there was "respect for sovereignty and territorial integrity" based on the UN Convention on the Law of the Seas, and in comments understood to be aimed at China, warned of the dangers of "hidden agendas, unviable projects or unsustainable debt" to countries in the Indian Ocean Region.

### **Challenges:**

IOA faces several obstacles that prevent it from growing into a highly successful and influential regional organization.

IOA **brings together some of the world's richest countries** - the United Arab Emirates, Singapore, and Australia - **with some of the poorest**, such as Mozambique, and island nations with very low GDPs, such as Seychelles.

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This **creates uneven benefits from participation** in IORA projects and can lead to economic competition and resentment among member states.

IORA **faces competition with other regional and international organizations** for member states' attention and investments; in fact, 14 such bodies have IORA member states in their membership.

**Interstate conflicts** have greatly hindered the strengthening of IORA, most notably through India's intentional exclusion of Pakistan from IORA membership.

Though the India-Pakistan dispute has generally been terrestrial, it has manifested itself in IORA, as noted above; in the maritime realm; and in other regional maritime organizations.

In addition, recent Chinese involvement in the Indian Ocean Region, particularly through the Belt and Road Initiative, has further sparked Indian distrust of a key nation in the strengthening of IORA, in this case, a dialogue partner.

### **Future of IORA:**

Need to raise the profile of IORA globally – still not well known globally

Need for greater high level political support for IORA as the pre-eminent organisation in the Indian Ocean Region (IOR)

More active and greater contributions needed from Dialogue Partners – performance has been uneven

IORA needs to respond to global challenges and issues like Indo-Pacific, Climate Change, COVID-19 and future global health pandemics – new area

Need for more people-centred and concrete development projects vs workshops and seminars - IORA Development Initiative being developed (Bangladesh), Special Fund access & disbursement needs to be ramped up, esp. for LDCs and SIDS

Role of the business community in IORA needs to be strengthened

Need for greater financial resources mobilised for IORA, including for the strengthening of the Secretariat