

Delivered

**Keynote Speech by
H.E. Dr. Surakiart Sathirathai
Deputy Prime Minister of Thailand
at the Fourth Asia Cooperation Dialogue Ministerial Meeting
Islamabad, Islamic Republic of Pakistan,
6 April 2005**

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**Your Excellency Shaukat Aziz,
Prime Minister of the Islamic Republic of Pakistan,
Your Excellency Wen Jiabao,
Premier of the People's Republic of China,
Your Excellency Kurshid Kasuri, Minister of Foreign Affairs of Pakistan,
Excellencies,
Distinguished Guests,
Ladies and Gentlemen,**

Please allow me to express my sincere appreciation to His Excellency the Prime Minister and Minister of Foreign Affairs of the Islamic Republic of Pakistan for the invitation and the distinct honour of joining the past and present hosts of the ACD Ministerial Meetings in addressing the Inaugural Session of the 4th Asia Cooperation Dialogue Ministerial Conference in Islamabad.

Pakistan was one of the key players in the inception of the ACD. As ACD coordinator, Thailand has been working closely with Pakistan who continues to play an active role in advancing the ACD process. I am confident that this fourth ACD Ministerial Meeting, held for the first time in South Asia, will once again prove to be a successful forum in advancing the goals of ACD as we strive towards the realization of a prosperous Asian community.

Excellencies,

As our ACD is entering its fourth year, we have 26 members as opposed to 18 when we were inaugurated in June 2002 in Thailand. Time wise, our cooperation may remain nascent. But judging by number, it was some 44% expansion in 3 years. The members represent more than half of the countries in Asia from every regional grouping and every geographical sub-region of our continent. The membership is indeed pan-Asia, representing everything that is Asia, economically, culturally, as much as the value and its diversity. Our 19

cooperation components are progressing well. Our New York meetings have proved to be a useful dialogue forum. For barely just three years, we have started to build a sense of Asian community, thanks to all of you. This is quite a remarkable achievement by any standard.

But you know it as much as I do that this is only the beginning. If the ACD is to bring real and tangible peace and prosperity to our people in Asia, the tasks ahead of us remain colossal. A long and winding road ahead is still awaiting. But getting there, we will.

As envisaged by my Prime Minister Dr. Thaksin Shinawatra upon launching the ACD in 2002, this first ever framework for continent-wide cooperation is paving way for a strong and prosperous Asia. The ACD's guiding principles of positive thinking, non-institutionalization, respect for diversity, and comfort level, have served us well. Unlike in the past, Asia is now utilizing the continent's enormous wealth and assets. Unlike the past, Asia is now learning to turn diversity into strength. Putting history behind us, Asia is now cooperating much more consistently through various building blocks such as ASEAN, SAARC, GCC, CICA, BIMSTEC, Shanghai Cooperation Organization, and East Asia Community to bridge our gaps to reduce poverty, conflicts and misunderstanding.

Today, Asia's building blocks are linked by the ACD for tomorrow's stronger and more prosperous Asian community. Ultimately, Asia's wealth and strength is not merely beneficial to Asia but will also be significant contribution to security, peace and prosperity for the rest of the world.

Excellencies,

With that scenario in mind, what can the ACD do?

In simplest term, the ACD must help Asia meet the challenges of today and tomorrow. The ACD must place these challenges high on its agenda. And the ACD must be the platform that incorporates Asian countries to create an Asian community on the one hand, and reaches out for partnership with others.

Let me turn now to some of these challenges.

Poverty. Poverty is a major obstacle for Asia to achieve sustainable growth and becoming a stronger partner for other regions. Poverty eradication

begins at home and should be guided by the principles of self-help and partnership. In the very words of Prime Minister Shaukat Aziz, we have to help each other to help ourselves. Relying only on foreign assistance or ODA and encouraging growth from exports alone cannot eradicate poverty. We must double and quadruple our effort to strengthen our grassroots economy. They are the backbone of our economic strength. With different levels of economic development in Asia, we can share our experiences, our misgivings and our best practices to combine our efforts to reduce poverty and inequity both within each country and amongst each other.

The second challenge is human resource development. Asia's competitiveness in SMEs cooperation, agriculture, tourism, and e-education cannot be enhanced without capacity building and increasing the quality of our workforce. The establishment of an "ACD Human Resources Development Center" and an ACD Study Center as proposed by the ACD Think Tanks Symposium in Thailand last year are important initiatives in sharing available resources and expertise based on our diverse strength.

The third major challenge is energy. The continual rise in oil prices is of critical concern to all of us. The volatility of oil prices has forced Asian countries to look for a common and comprehensive energy security strategy that seeks new and alternative energy, especially renewable energy, and policies to increase energy sufficiency.

Asia is home to some of the world's major energy producers as well as consumers. We need to reverse the gap between production and consumption levels in Asia as tight supplies and high prices could undermine the economic growth and development in Asia. The energy situation, if not well managed, could slow down our effort to reduce and eradicate poverty. Our commitment to the Qingdao Initiative as endorsed at the Third ACD Ministerial Meeting in China in June 2004 is crucial to attaining energy sustainability in Asia for long-term development. The proposal for an "Asian Energy Community" is well worth every consideration to enhance further cooperation between energy producing and energy consuming countries in Asia.

The fourth major challenge of Asia is financial instability. Thailand as prime mover on financial cooperation is working in partnership with the ACD members in designing a new financial architecture in Asia. We are committed to the development of a regional bond market as envisaged in the Chiang Mai Declaration adopted by the ACD Foreign Ministers in June 2003. Asian countries

have previously concentrated their efforts on the development of the demand side of the Asian Bond Market. We are now focusing our efforts on the supply of bonds and market infrastructure with emphasis placed on promoting the supply of quality bond denominated in local currency. I am pleased that this ACD Ministerial Meeting is held in Islamabad where you have one of the world's financial experts who happens to be sitting as Prime Minister in this beautiful country.

The fifth major challenge is natural disaster. The December 26 Tsunami disaster left a devastating impact of unprecedented scale on Asia. Yet, Asia was quick to respond, starting with the Jakarta Summit, the China-ASEAN meeting and the Phuket Ministerial Meeting on Regional Cooperation on Tsunami Early Warning Arrangements which I was honoured to chair. The tsunami disaster re-emphasized how prone Asia can be to natural catastrophe. Preventive measures and relief arrangements for all natural disasters become imperative. I propose that we should consider an ACD standby arrangement for relief operation where we share check-lists relief operation apparatus and equipment ready to be on emergency call wherever a disaster strikes in Asia.

Finally, there is a question of environmental degradation and preservation. Asia is rich with natural resources, biodiversity, tropical forests and sanctuaries. But are we taking good care of our ecosystem enough to hand it over to our children and their children in good shape? How have we done with our air, our water, and our noise pollution? Perhaps, our ACD should look into the Asian wisdom to protect and preserve our ecosystem. Nature and environment preservation, after all, is not for competing but collaboration.

**Excellency the Prime Ministers,
Excellencies,
Distinguished Guests, Ladies and gentlemen,**

No doubt, the ACD will continue to grow and expand. As we are doing so, many countries and organizations, even outside Asia, express their interests in engaging with the ACD. For the ACD to be beneficial mutually both for Asia and the rest of the world, we must not be shut in. On the contrary, we must formulate linkages to open up with others outside the continent. I fully endorse Premier Wen Jiabao that the ACD is not exclusive and must be open to the outside world. By engaging those interested countries, we can reach the ultimate goal of not only to increase Asia's competitiveness and capacity, but also to build Asia as a stronger partner for the global community.

As we progress in all our cooperation projects, which range from energy security to e-education, from agriculture to IT development, from tourism to science and technology, from SMEs cooperation to road safety, there seems to be increasing need to seek more mandate and more commitment. The ACD is progressing so well and so fast that it has reached a stage that requires refreshing mandate from the leaders to inject strength and guidance on the future direction towards the goal of realizing an Asian Community. The ACD project and dialogue components may have reached a stage where blessings by our leaders would give the necessary mandate for sectoral Ministers to deepen and broaden the ACD cooperation. With this in mind, Thailand is offering, for your consideration, to host the first ACD Summit in the near future. More importantly, such an opportunity will provide leaders to exchange views as part of the dialogue component of the ACD which is important for the trust and confidence-building for Asia.

As we address the opportunities and challenges facing Asia, there is yet another front where Asia can provide significant contribution. I believe that while there is a unanimous call for reform, more efficiency more effectiveness and more transparency, the United Nations remains the most important multilateral system for global peace, security, prosperity and development. While reforming the UN to become more efficient, more effective and more transparent require thorough consideration, require efforts and rational inputs from all, Asia must offer our share of contribution in the process. And there are many ways to do that. I do hope that members of ACD will all take active interest in this.

Equally, I believe that regional groupings serve as important foundation for effective multilateralism. There must be better mechanism to allow regional groupings to supplement the role of multilateralism. Last April, our Asian Group in New York reached a consensus to enable Asia to make more contribution to the multilateral system by announcing that since it has been 40 years that the last Secretary-General from Asia took office, the term of the next Secretary-General to succeed Kofi Annan would be Asia's turn. As the most populous continent and encompassing over a quarter of the UN's membership with its growing significance in the world affairs, Asian nations bear a high responsibility for strengthening multilateralism and contributing to the UN's effectiveness. We, ACD can move to support our New York Asian Group by working together proactively to gain similar consensus from elsewhere. Asia can take pride in this undertaking only when Asia chooses to favour Asia. Inevitably, the combined ACD efforts will be most meaningful to put an Asian to succeed Secretary-General Kofi Annan. I am confident that Asia, through our ACD, will not allow this opportunity to slip away.