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B1, 1.4(B), 1.4(D)

INFO	LOG-00	NP-00	AID-00	AMAD-00	CIAE-00	COME-00	CTME-00
	INL-00	USNW-00	DODE-00	DOTE-00	PERC-00	DS-00	EB-00
	E-00	FAAE-00	FBIE-00	VC-00	FRB-00	H-00	TEDE-00
	INR-00	IO-00	ITC-01	LAB-01	VCE-00	AC-00	DCP-00
	NSAE-00	NSCE-00	OIC-00	OMB-00	NIMA-00	OPIC-01	PA-00
	PM-00	ACE-00	P-00	SCT-00	FMPC-00	SP-00	IRM-00
	SSO-00	SS-00	STR-00	TRSE-00	USIE-00	ASDS-00	EPAE-00
	PMB-00	DSCC-00	PRM-00	DRL-00	G-00	SAS-00	/003R

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TAGS: PREL, BEXP, BTIO, ECON, PTER, MP

SUBJECT: PRIME MINISTER BERENGER DISCUSSES TRADE AND  
REGIONAL STABILITY WITH THE SECRETARY

REF: '03 LOME 1393

CLASSIFIED BY AF DAS DONALD YAMAMOTO REASONS 1.4. (B) AND  
(D)1. (U) MAY 11, 2004; SECRETARY'S OUTER OFFICE, DEPARTMENT  
OF STATE.

2. (U) PARTICIPANTS:

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UNITED STATES  
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SECRETARY COLIN POWELL

US AMBASSADOR JOHN PRICE

AF DEPUTY ASSISTANT SECRETARY DON YAMAMOTO

PA RICHARD BOUCHER

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S STEVE BEECROFT  
AF/E HELEN REED-ROWE, NOTETAKER

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MAURITIUS  
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PRIME MINISTER PAUL RAYMOND BERENGER  
SECRETARY FOR FOREIGN AFFAIRS MR. VIJAY MAKHAN  
PERMANENT SECRETARY, PM OFFICE MRS. V.L. RAMSAMY  
AMBASSADOR USHA JEETAH  
DEPUTY CHIEF OF MISSION R. SOOKUN, NOTETAKER

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SUMMARY  
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3. (U) DURING HIS FIRST VISIT TO WASHINGTON AS PRIME MINISTER OF MAURITIUS, PAUL BERENGER MET WITH SECRETARY POWELL TO DISCUSS TRADE AND REGIONAL STABILITY ISSUES. DURING THE CORDIAL 20-MINUTE MEETING, THE TWO MEN DISCUSSED THE STATUS OF PENDING AGOA III LEGISLATION, MCA, AND REGIONAL SECURITY CONCERNS. THE SECRETARY USED THE MEETING AS AN OPPORTUNITY TO QUERY BERENGER ABOUT THE STATUS OF BOEING'S BID TO REPLACE EIGHT AIRCRAFT IN AIR MAURITIUS' FLEET AND COMMENDED MAURITIUS FOR ITS LEADERSHIP IN HOSTING THE UPCOMING UNITED NATIONS SMALL ISLAND DEVELOPING STATES (UN-SIDS) CONFERENCE.

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SIDS CONFERENCE POSTPONED  
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5. (U) THE SECRETARY WELCOMED PRIME MINISTER BERENGER AND CONGRATULATED HIM ON THE HISTORIC DEMOCRATIC TRANSITION IN MAURITIUS AND HIS LEADERSHIP ROLE AS PRIME MINISTER. THE SECRETARY STATED THAT HE WAS PLEASED WITH THE RELATIONSHIP THE UNITED STATES AND MAURITIUS SHARE. MAURITIUS HAS HOSTED SEVERAL IMPORTANT CONFERENCES AND SECRETARY POWELL EXPRESSED HIS APPRECIATION TO THE PRIME MINISTER FOR THAT LEADERSHIP AND WISHED HIM SUCCESS ON THE UPCOMING UN-SIDS

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CONFERENCE.

6. (U) PRIME MINISTER BERENGER EXPRESSED HIS APPRECIATION FOR THE OPPORTUNITY TO MEET WITH THE SECRETARY AND PRESIDENT BUSH. BERENGER THANKED THE SECRETARY FOR THE ASSISTANCE THE U.S. HAS PROVIDED ON THE UN-SIDS CONFERENCE. HE NOTED THAT THE CONFERENCE WOULD NOT BE HELD IN AUGUST AS ORIGINALLY PLANNED DUE TO A DELAY IN CONSTRUCTION OF A LARGER CONFERENCE CENTER. BERENGER PLANS TO CONTACT THE UNITED NATIONS AND REQUEST A CONFERENCE DATE IN JANUARY 2005. BERENGER STRESSED THE IMPORTANCE OF THE UN-SIDS INITIATIVE. HE EMPHASIZED THE DILIGENCE OF THE ISLAND REPRESENTATIVES AND THE HARD WORK THAT HAS PRODUCED A 20-PAGE EVALUATION OF THE 10-YEAR PROGRAM. HE NOTED THAT THE U.S. IS PUSHING FOR A SHORTER, MORE PRECISE UN-SIDS DOCUMENT AS OPPOSED TO THE LENGTHIER DOCUMENT DEVELOPED EARLIER BY THE ISLAND PARTICIPANTS. BERENGER SUPPORTS A COMPROMISE AND WELCOMES U.S. ASSISTANCE IN FINALIZING THE DOCUMENT.

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TRADE CONCERNS EXTENDS TO NEIGHBORS  
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7. (U) BERENGER SHIFTED HIS FOCUS TO TRADE AND DEVELOPMENT ISSUES, ASKING THE SECRETARY ABOUT MAURITIUS' ELIGIBILITY FOR PARTICIPATION IN THE MILLENNIUM CHALLENGE ACCOUNT. THE SECRETARY STRESSED THE DIFFICULTY IN DETERMINING WHO WOULD RECEIVE THE FIRST GRANTS AND OUTLINED THE ELIGIBILITY REQUIREMENTS FOR THE PROGRAM. SECRETARY POWELL LISTED THE POSITIVE ASPECTS OF THE PROGRAM AND STATED THAT THE MCA FUNDING LEVELS WILL INCREASE ANNUALLY AND ANTICIPATES MCA FUNDING LEVELS TO REACH FIVE BILLION DOLLARS IN FY-06. BERENGER INDICATED HIS DESIRE TO HAVE MAURITIUS AND MOZAMBIQUE DEVELOP A JOINT PROJECT FOR MCA FUNDING.

8. (U) BERENGER CONGRATULATED THE UNITED STATES FOR THE INNOVATIVE MCA PROGRAM AND THEN SEGUE INTO ANOTHER ECONOMIC ISSUE OF GREAT IMPORTANCE TO MAURITIUS. NOTING HIS COUNTRY'S SUPPORT FOR AGOA SINCE ITS INCEPTION, HE EXPRESSED CONCERN THAT MAURITIUS REMAINS UNABLE TO BENEFIT FROM THE THIRD-COUNTRY FABRIC PROVISIONS. HE STATED HIS DISAPPOINTMENT THAT AGOA III WILL NOT CORRECT THE DISPARITY. THE SECRETARY REMINDED BERENGER THAT MAURITIUS IS A MODEL FOR ECONOMIC SUCCESS IN AFRICA AND THE THIRD COUNTRY PROVISIONS APPLY TO COUNTRIES WITH LESS SUCCESSFUL ECONOMIES. BERENGER AGREED AND EMPHASIZED THE BENEFITS OF

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AGOA TO THE TEXTILE INDUSTRIES IN NEIGHBORING COUNTRIES. BERENGER MADE CLEAR THAT MAURITIUS' ECONOMY IS TIED TO THE SUCCESS OF NEIGHBORING COUNTRIES. BERENGER CITED THE BENEFITS THAT AGOA HAS PROVIDED TO BOTSWANA, TANZANIA, MADAGASCAR AND MOZAMBIQUE. WITHOUT AGOA III, IMPACT ON THE TEXTILE INDUSTRIES IN THE REGION WOULD BE SEVERE. THE ENTIRE REGION, NOT JUST A FEW COUNTRIES, WOULD SUFFER, ACCORDING TO BERENGER. HE URGED PASSAGE OF AGOA III. IN RESPONSE, SECRETARY POWELL INFORMED BERENGER THAT THE ADMINISTRATION IS SUPPORTIVE OF THE BILL AND THAT THE LEGISLATION IS PENDING IN CONGRESS.

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FROM TRADE TO REGIONAL SECURITY  
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9. (U) BERENGER STATED MAURITIUS SHOULD HAVE SOVEREIGNTY OVER ALL THE ISLANDS OF THE CHAGOS ARCHIPELAGO, EXCEPT DIEGO GARCIA, AND CITED HIS BELIEF THAT BRITISH AUTHORITY OVER THE ISLANDS VIOLATED THE UNITED NATIONS CHARTER. HOWEVER, BERENGER MADE IT CLEAR THAT HIS GOVERNMENT IS NOT SEEKING UN INTERVENTION BUT HAS ASKED "HIS FRIEND TONY BLAIR" TO ADDRESS THE ISSUE OF SOVEREIGNTY. ACCORDING TO BERENGER, LONDON HAS PASSED NEW LEGISLATION THAT DISTINGUISHES BETWEEN THE CHAGOS ISLANDS AND DIEGO GARCIA. BERENGER STRESSED HIS SUPPORT FOR THE LEGISLATION. BERENGER ASSURED THE SECRETARY THAT HE UNDERSTANDS THE PARTICULAR SECURITY ISSUES REGARDING DIEGO GARCIA. HIS PLAN WOULD ALLOW ACCESS TO THE ISLANDS BY THE CHAGOSSIANS FOR FISHING AND TOURISM. BERENGER ACKNOWLEDGED THAT HIS PLAN IS NOT A POPULAR ONE WITH THE NATIONAL SECURITY COUNCIL OR THE PENTAGON. HE ALSO STATED THAT HE IS ENCOURAGED BY THE REACTION OF FOREIGN SECRETARY JACK STRAW TO THE PLAN. STRAW IDENTIFIED SEVERAL POSITIVE POINTS FOR FUTURE BILATERAL DISCUSSIONS. THE SECRETARY NOTED BERENGER'S PROPOSAL AND AGREED TO DISCUSS THE MATTER WITH THE UNITED KINGDOM.

10. (U) BERENGER OUTLINED THE POSITIVE STEPS TAKEN IN COMOROS BY PRESIDENT AZALI AND ASSURED THE SECRETARY THAT MAURITIUS WOULD CONTINUE TO PROMOTE STABILITY IN THE REGION. BERENGER ENDORSED UNITED STATES ASSISTANCE TO AZALI TO COUNTER TERRORISM IN THE COMOROS AND CITED THE LACK OF AIRPORT AND PORT SECURITY PROGRAMS. HE URGED USG CONSIDERATION OF ASSISTANCE TO HELP COMOROS SECURE ITS BORDERS.

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TOURISM AND THE BOEING CONTRACT  
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13. (U) IN RESPONSE TO THE SECRETARY'S QUERY REGARDING THE ECONOMIC SITUATION IN MAURITIUS, BERENGER STATED THAT THE TEXTILE INDUSTRY WAS HAVING PROBLEMS BUT THAT OVERALL, THE MAURITIUS ECONOMY WAS DOING WELL. THE IT INDUSTRY IS STRONG AND GROWING AND THE TOURISM SECTOR IS GROWING, WITH AN INCREASE OF OVER 20% IN TOURISM REVENUES.

14. (U) REGARDING THE POSSIBLE PURCHASE OF NEW AIRCRAFT TO REVAMP AIR MAURITIUS, BERENGER STRESSED THAT THE GOVERNMENT OF MAURITIUS WAS NOT THE DECISION-MAKER ON THE PURCHASE. HE ADDED THAT THE CHIEF EXECUTIVE OFFICER OF AIR MAURITIUS WOULD MAKE THE FINAL DECISION REGARDING THE PURCHASE AND HE ANTICIPATED A DECISION BY FALL. THE SECRETARY NOTED THE RELIABILITY OF THE BOEING PRODUCT AND THANKED MAURITIUS FOR CONSIDERING BOEING'S PROPOSAL.

15. (U) ENDING ON A POSITIVE NOTE, BERENGER MENTIONED HIS UPCOMING MEETINGS WITH POTUS AND PENDING VISIT TO SEATTLE. THE SECRETARY EXTENDED HIS BEST WISHES FOR A SUCCESSFUL TRIP.

POWELL

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