

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

RAJYA SABHA
STARRED QUESTION NO. *75
TO BE ANSWERED ON 08/12/2023

INDO-PACIFIC ECONOMIC FRAMEWORK

***75. SHRI NARESH BANSAL:**

Will the Minister of **COMMERCE & INDUSTRY** be pleased to state:

- (a) the details of the Indo-Pacific Economic Framework (IPEF) for Prosperity Supply Chain Agreement, which has been recently signed by Bharat during the Indo-Pacific Economic Framework Meet; and
- (b) in what manner the negotiations for Pillar-III (Clean Economy), Pillar-IV (Fair Economy), and the Agreement on the Indo-Pacific Economic Framework for Prosperity will help the country?

ANSWER

THE MINISTER OF COMMERCE AND INDUSTRY
(SHRI PIYUSH GOYAL)

(a) & (b): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY OF PART (a) TO (b) OF RAJYA SABHA STARRED QUESTION NO. 75 FOR ANSWER ON 08th DECEMBER, 2023 REGARDING “INDO-PACIFIC ECONOMIC FRAMEWORK (IPEF)”

(a) IPEF partners, including India, signed the Indo-Pacific Economic Framework for Prosperity Agreement Relating to Supply Chain Resilience (IPEF Supply Chain Agreement) on 14 November 2023. The IPEF Supply Chain Agreement is a first-of-its-kind plurilateral Agreement that aims to increase the resilience, efficiency, productivity, sustainability, transparency, diversification, security, fairness, and inclusivity of supply chains in the Indo-Pacific region. It seeks to establish institutional mechanisms to enable IPEF partners to work together on supply chains, including by developing deeper shared understanding of regional supply chains, improving crisis response capabilities for supply chain disruptions, sharing information and best practices on supply chain opportunities and vulnerabilities, facilitating business matching and investments, supporting MSMEs, facilitating Joint Research & Development, promoting supply chain resilience in critical sectors and key goods, and promoting labour rights and workforce development across IPEF supply chains.

(b) IPEF Pillar-III (Clean Economy) Agreement is expected to facilitate inward foreign investment with a focus on renewable energy and other environmentally friendly technologies. The Pillar emphasizes various initiatives to encourage private sector investment in climate-friendly projects including through the launch of IPEF Clean Economy Investment Forum and the IPEF Catalytic Capital Fund. The Pillar also emphasizes commitments to diversify supply chains, helping India avert disruptions and reduce dependence on sole suppliers for inputs such as critical minerals.

IPEF Pillar-IV (Fair Economy) Agreement envisages improvement in ease of doing business, enhancing investor confidence by providing a transparent and predictable ecosystem for businesses, supporting asset recovery by streamlining procedures across partner jurisdictions, and strengthening cross-border investigations and prosecutions and further global resolve to fight against corruption, money laundering and terror financing.

Agreement on the Indo-Pacific Economic Framework for Prosperity establishes Ministerial mechanisms, which would monitor work under the Agreements negotiated under the IPEF Pillars, with a view to identifying ways to reduce duplication and potential conflicts and enable work between or across those agreements.
