



Office of the United States Trade Representative

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THE INDO-PACIFIC ECONOMIC FRAMEWORK FOR PROSPERITY: BIDEN-HARRIS ADMINISTRATION'S NEGOTIATING GOALS FOR THE CONNECTED ECONOMY (TRADE) PILLAR

On May 23, 2022, the United States launched the Indo-Pacific Economic Framework for Prosperity (IPEF) in Tokyo with a diverse range of partners together representing 40 percent of global GDP. The future of the 21st century economy is going to be largely written in the Indo-Pacific, and IPEF will help to drive sustainable growth for all our economies. The IPEF is designed to be different from a traditional Free Trade Agreement: includes a trade pillar as well as three additional pillars on supply chains; clean energy, decarbonization and infrastructure; and tax and anti-corruption. The trade pillar, which includes Australia, Brunei Darussalam, Fiji, Japan, Indonesia, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Viet Nam, and the United States, seeks to build high-standard, inclusive, free, and fair-trade commitments and to develop new and creative approaches to trade and technology cooperation that will support enduring prosperity in the Indo-Pacific region and here at home.

As we continue to combat and recover from the COVID-19 pandemic, stakeholders and trading partners have expressed their desire for trade arrangements that promote resilience and facilitate sustainable and inclusive economic growth that benefits our workers and our planet. We have also heard from many members of Congress – on a strong bipartisan basis – that meaningful economic engagement with partners and allies in the Indo-Pacific region should be a top priority for the United States. Expanding U.S. economic leadership in the region is good for American workers and businesses — as well as for the people of the region.

In Los Angeles, the United States and IPEF partners agreed on a set of ministerial statements for the four pillars ([Pillar I – Trade](#), [Pillar II – Supply Chains](#), [Pillar III – Clean Economy](#), [Pillar IV – Fair Economy](#)). Today, USTR is releasing its negotiating goals that lay out the focus and priorities for the Trade Pillar that will guide USTR as IPEF negotiations move forward.

This document lays out the Biden-Harris Administration's vision for advancing these goals with partners in the Indo-Pacific and negotiating a trade arrangement that will benefit IPEF countries. Specifically, we will negotiate commitments in the following areas: labor; environment; digital economy; trade facilitation; agriculture; competition policy; transparency and good regulatory practices; inclusivity; and technical assistance and economic cooperation.

The Administration intends to develop these elements to further its goals in every aspect of the negotiation, and with further input and discussion from stakeholders, trading partners, and Congress.

As this process continues, we are committed to updating these goals and to providing the public with more information on what we are working to achieve through these negotiations, and we will continue to share information through the press, social media, and our website.

Resilience

Supply chains are integral to the global trading system, and the COVID-19 pandemic and the associated global economic disruption have highlighted major vulnerabilities in our existing supply chains, as well as underscored the importance of promoting resilience in our supply chains. Including strong trade facilitation provisions in the IPEF will help ensure the movement of goods across our borders and help promote resiliency among the IPEF countries.

The smooth movement of goods and services across borders needed to create resilient supply chains among IPEF countries also requires enhanced transparency measures and widely accepted good regulatory practices.

Finally, a foundational aspect of resilient supply chains is competition in the global market to allow for access to a wider variety of goods and services at competitive prices. This is why the IPEF will include commitments on competition policy.

Inclusion

The cornerstone of the Biden-Harris Administration's trade policy is the belief that establishing high-standard commitments on labor rights will benefit American workers and workers all over the world while ensuring that trade policy is more inclusive and its benefits are widely shared. This will help make trade policy more durable and help facilitate a global race to the top.

We will pursue high-standard rules of the road in the digital economy, and will work with our partners to seize opportunities and address concerns in the digital economy, in order to ensure small and medium sized enterprises can benefit from the region's rapidly growing e-commerce sector.

We also acknowledge that IPEF includes countries with different levels of development, and will seek to include commitments that allow all partners to draw maximum benefit from the framework while assisting participants to fulfill their obligations.

Sustainability

The Biden-Harris Administration understands that in addition to promoting prosperity, trade is an indispensable tool in protecting the environment, addressing the climate crisis, and creating a more sustainable global economy. Beyond traditional environment and climate issues, we intend to use the IPEF to pursue a variety of commitments on agriculture issues in service of ensuring a sustainable global agriculture system that protects the planet, helps our people have continued secure access to food, and enables our farmers to succeed.

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