



## What Are The Main Pillars of Indo-Pacific Economic Framework ? Mention Its Significance. (150 Words / 10 M) (GS-2 International-relations)

### Approach:

1. Intro on IPEF.
2. Mention the 4 pillars.
3. Mention its significance.
4. Conclusion.

In May 2022, before the Quad leaders' summit in Tokyo, the United States launched the **Indo-Pacific Economic Framework** (IPEF). The proposed economic bloc has **13 members** so far and more countries are expected to join. Apart from the four Quad members, IPEF includes *Brunei Darussalam, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand and Vietnam*.

### The 4 pillars of IPEF:

- **Trade:** It will include digital economy and emerging technologies, labour commitments, environment, trade facilitation, transparency and good regulatory practices. It will also include corporate accountability, standards on cross-border data flows and data localisations.
- **Supply Chain Resilience:** To develop 'a first-of-its-kind supply chain agreement' that would anticipate and prevent disruptions.
- **Clean energy and decarbonisation:** It will include agreements on 'high-ambition commitments' such as renewable energy targets, carbon removal purchasing commitments, energy efficiency standards, and new measures to combat methane emissions.
- **Tax and anti-corruption:** It includes commitments to enact and enforce 'effective tax, anti-money laundering, anti-bribery schemes'.

### Significance:

- It is a salient attempt to allow countries to **decouple from Chinese over-dependence**. The framework will **strengthen** the existing **free and open rules-based global order**.
- It will help the **S regain its dominant position** in the geopolitics which it has been losing to China and Russia. The aim is to **reclaim economic leadership in East Asia** and **the ASEAN region** without giving away concessions.
- It will help in setting the **rules for the digital economy**, ensuring secure and resilient supply chains. It will also play a pivotal role in raising standards for transparency, fair taxation, and anti-corruption.
- It complements the **"Quad Plus" process**. It brings together seven critical countries of ASEAN, all Quad states, and dialogue partners.
- It will counter the other regional groupings like, *the TTP, the CPTPP and the RCEP*.



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- It will also improve **mitigation and adaptation** efforts towards **climate change** by helping in inducing major investments necessary in clean energy infrastructure and the clean energy transition.

India is committed to a **free, open, and inclusive Indo-Pacific region**. It is keen to collaborate with partner countries under the IPEF and work towards advancing regional connectivity and integration for continued growth, peace, and prosperity.

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