

Indo-Pacific Economic Framework for Prosperity (IPEF) A Snapshot of the Initiative

How did it come about?

October 2021

During the East Asia Summit, US President Biden made a proposal that: "The US will explore with partners the development of an Indo-Pacific economic framework that will define our shared objectives around trade facilitation, standards for the digital economy and technology, supply chain resiliency, decarbonisation and clean energy, infrastructure, worker standards, and other areas of shared interest."

23 May 2022

President Biden formally launched the Indo-Pacific Economic Framework for Prosperity (IPEF) during his five-day visit to South Korea and Japan. This is his first trip to Asia as US president.

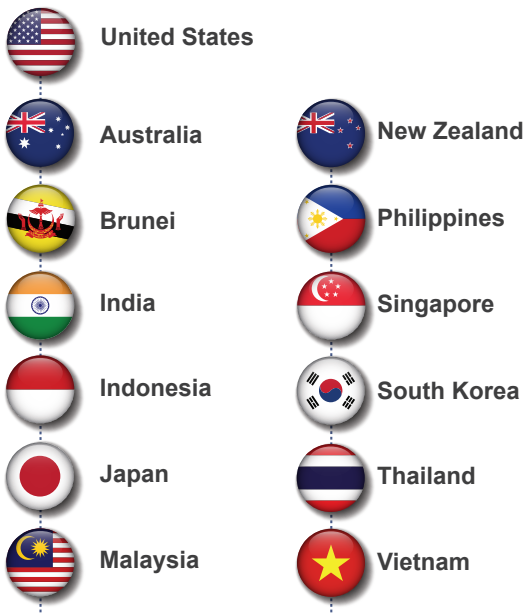
What's in IPEF?

Unlike traditional trade agreements, the IPEF does not negotiate on tariffs and market access. The programme foresees integrating partners through agreed standards in four main pillars:



Who are the members?

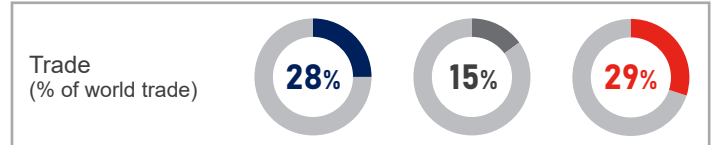
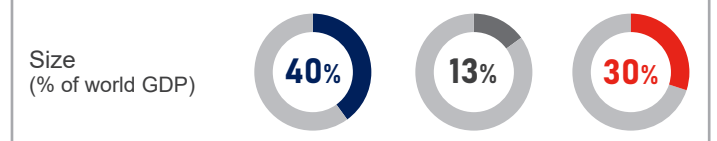
The US-led pact with the initial 12 Indo-Pacific countries:



Major trade blocs in Asia

Economy	IPEF	CPTPP	RCEP
Australia	●	●	●
Brunei	●	●	●
Cambodia			●
Canada		●	
Chile		●	
China		Applied	●
India	●		
Indonesia	●		●
Japan	●	●	●
Laos			●
Malaysia	●	●	●
Mexico		●	
Myanmar			●
New Zealand	●	●	●
Peru		●	
Philippines	●		●
Singapore	●	●	●
South Korea	●		●
Taiwan		Applied	
Thailand	●		●
United States	●	Withdrew	
Vietnam	●	●	●

Member	13	11	15
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CPTPP: The Comprehensive and Progressive Agreement for Trans-Pacific Partnership
RCEP: Regional Comprehensive Economic Partnership

What's next for IPEF?

Following the announcement, the 13 IPEF members will start negotiations on each pillar.

The framework descriptions so far have been largely broad-based. There are few details as of now to judge how IPEF will eventually compare to other trade blocs like CPTPP or RCEP. The key will be when the members hold negotiation on the terms encompassing the pact - which will be one of the determining factors for the prospect of IPEF.

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