

CLIENT ALERT

The Indo-Pacific Economic Framework: How the Private Sector Can Inform the Biden Administration's Approach

April 5, 2022

The Office of the U.S. Trade Representative (USTR) and the U.S. Commerce Department are seeking comments on objectives for the Biden Administration to pursue in development of an Indo-Pacific Economic Framework.

USTR through its Federal Register [notice](#) is seeking comments for an IPEF "pillar" on "Fair and Resilient Trade." The Commerce Department is seeking comments through a separate Federal Register [notice](#) on the IPEF pillars concerning "Supply Chain Resilience," "Infrastructure, Clean Energy, and Decarbonization", and "Tax and Anticorruption."

Both publications invite written comments regarding matters relevant to the respective pillars, including U.S. interests and priorities to help the U.S. identify negotiation priorities and potential partners. Written comments may be submitted through April 11, 2022.

When released, the Indo-Pacific Economic Framework (IPEF) is poised to be the centerpiece of the Biden Administration's efforts to formulate an economic partnership among like-minded nations in lieu of reviving the Trans-Pacific Partnership (TPP) or joining the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP). Following visits to Southeast Asia by Vice President [Kamala Harris](#), USTR Katherine Tai, and Commerce Secretary Gina Raimondo to discuss the framework with close allies in the region, the Biden Administration has increased its outreach to stakeholders as it sharpens the IPEF's scope and ambitions. The White House is expected to formally announce the IPEF with several U.S. trade partners in the coming weeks, and launch substantive negotiations on the IPEF's policy provisions.

A multi-pillar structure is proposed for the IPEF. This will include a Fair and Resilient Trade Pillar headed up by the Office of the U.S. Trade Representative, and pillars on Supply Chain Resilience, Infrastructure and Decarbonization, and Tax and Anticorruption to be led by the Commerce Department. Among the countries who may be included in the IPEF with the U.S. are Singapore, Japan, Australia, New Zealand, South Korea, and potentially Malaysia, Indonesia, and Vietnam. The framework is expected to enable each partner nation to sign up for individual or multiple pillars, without commitment to the IPEF in its entirety. The Biden Administration has noted that the above countries are not meant to represent a final list of IPEF member nations, only an initial starting point – with an "open door" for additional partners to join the IPEF in the future.

The IPEF will be an executive agreement, not a traditional trade agreement. The administration has signaled that it does not expect the framework to contain market access provisions found in typical FTAs. Rather, the White House sees the IPEF as a new form of trade and economic engagement with global partners – and, critically, one that would not require a vote by the U.S. Congress and is therefore politically feasible in the current electoral environment.

In requesting comments from the public, USTR and Commerce have identified the likely scope of issues that will be included within each of the four pillars.

The Fair and Resilient Trade Pillar:

Under the Fair and Resilient Trade Pillar, the administration seeks to develop high-standard, worker-centric commitments in the following areas:

- Labor;
- Environment and Climate;
- Digital Economy;
- Agriculture;
- Transparency and Good Regulatory Practices;
- Competition Policy; and
- Trade Facilitation.

The U.S. Trade Policy Staff Committee (TPSC) invites comments to be submitted via [this link](#) by April 11th, 2022. Specifically, USTR is requesting comments related to

- General negotiating objectives for the proposed agreement;
- Labor-related matters;
- Environment and climate-related barriers;
- Digital economy-related matters;
- Agriculture-related matters;
- Transparency and good regulatory practice issues;
- Competition-related matters;
- Customs and trade facilitation issues;
- Issues of particular relevance to SMEs that should be addressed in negotiations; and
- Other measures or practices, including those of third-country entities, which undermine fair market opportunities for U.S. workers, farmers, ranchers, and businesses.

The Supply Chain Resiliency, Infrastructure and Decarbonization, and Tax & Anticorruption Pillars:

Under these pillars, the administration seeks to develop high-standard, worker-centered commitments in the following areas:

- Digital and Emerging Technologies;
- Supply Chain Resilience;
- Infrastructure;
- Decarbonization;
- Clean Energy; and
- Tax and Anticorruption.

The Commerce Department is requesting comments to develop the U.S. position on these issues, and invites comments to be submitted via [this link](#) by April 11th, 2022.

These requests for comment represent a key pathway for private sector engagement with the administration on this critical foreign policy initiative. Companies, associations, and stakeholders of all sizes and across industries are encouraged to provide their feedback.

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