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MEDIA RELEASE

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Community Groups ask ALP government for public consultation as US launches Indo-Pacific Economic Forum

US President Joe Biden yesterday [launched](#) the Indo Pacific Economic Framework (IPEF), involving the US, Australia, Brunei, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and Vietnam. Others may join later.

IPEF is an initiative of the US Biden administration mainly motivated by strategic competition with China in the region, and by US domestic politics. The US is not part of the two big existing regional trade agreements. These are the Regional Comprehensive economic Partnership (RCEP) of the ten ASEAN countries plus five other countries, and the Comprehensive and Progressive Trans-Pacific Partnership of 11 Pacific Rim countries.

The U.S. Congress does not currently have ‘fast track’ authority which enables negotiation of legally binding trade agreements, and there is still strong bipartisan opposition to legally binding agreements like the CPTPP, from which the Trump administration withdrew in 2016.

The [US proposes IPEF](#) to be a non-legally binding trade and investment discussion forum for US-aligned countries in the region, with the aims of achieving: high labour and environmental standards; a digital trade framework; diverse, open and predictable supply-chains; and greater investment in decarbonisation and clean energy. Some of these are worthy goals, but it is not clear how they will be negotiated outside of a legally binding trade agreement framework.

Dr. Patricia Ranald, Convener, Australian Fair Trade and Investment Network (AFTINET) said:

“IPEF cannot meet its claimed goals of improving workers’ rights and environmental standards without a far more transparent process with genuine involvement of unions, environment groups and other civil society groups.”

“IPEF will certainly not meet such goals if it is modelled on the CPTPP, which was controversial because the agenda was driven by global corporations. The CPTPP entrenched medicine monopolies, gave special rights to corporations to sue governments through Investor-State Dispute Settlement (ISDS) and deregulated digital trade in ways which make it harder to tackle the market dominance of Big Tech companies.”

“Australia already has series of legally binding overlapping bilateral and regional trade agreements involving these countries, including the RCEP, the CPTPP, the Australian New Zealand- ASEAN free trade agreement and numerous bilateral agreements.”

“IPEF adds an additional forum to already complicated Indo-Pacific trade architecture. The new Labor government has a [policy](#) of a public consultation process and assessment of cost and benefits to Australia of such arrangements. We call on the new Labor government to implement its policy.”

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