

Indo-Pacific Economic Framework for Prosperity (IPEF) Negotiations

Report on Negotiation Round Five: Bangkok 7 – 16 September 2023

The Fifth Negotiating Round on the Indo-Pacific Economic Framework for Prosperity (IPEF) was hosted in Bangkok from 7-16 September 2023. This round covered three of the four IPEF pillars, including the Trade, Clean Economy, and Fair Economy Pillars, as the Supply Chain agreement was substantially concluded in May 2023.

Officials from the United States, Australia, Brunei, Fiji, India, Indonesia, Japan, the Republic of Korea, Malaysia, New Zealand, the Philippines, Singapore, Thailand, and Vietnam were in attendance.

Pillar I (Trade):

- Competition: The US led a discussion of its key objectives and key provisions of a draft chapter. Other members provided initial reactions to the draft text and were invited to submit written attributions ahead of a virtual intersessional meeting in the coming weeks.
- Environment: During Round Five, the negotiations focused on eight of the 32 Environment Chapter Articles. These eight included some of New Zealand's key environment and trade policy priorities; including fossil fuel subsidy reform, fisheries subsidies, and climate and trade. The negotiations highlighted areas of some convergence – in particular as it relates to the circular economy – and areas of significant divergence, such as fossil fuel subsidies. At least one intersessional is planned between now and the next negotiation round in an effort to continue to progress these eight Articles.
- Trade Facilitation: The Trade Facilitation chapter working group met for six days, continuing to work through the text contained in Tranches 1, 2 and 3 which contains 24 articles for the chapter. While good progress was made, with many paragraphs and some articles being closed, not all of the articles in Tranches 1, 2 and 3 were closed. The working group also discussed the proposed Tranche 4 text package that contains a further four articles and had an initial discussion on what an article on a chapter committee would contain which is to be provided in Tranche 5 of text.
- Inclusivity: Discussions in the Inclusivity Chapter progressed well and resulted in the closing of paragraphs across the text. Parties will seek to close some articles in the upcoming round.
- Labour: Progress was made on core provisions relating to internationally recognised labour rights, including the adoption and enforcement of those rights. The parties also discussed areas of cooperation to lift labour standards and processes for dealing with complaints about labour standards.

- Digital Trade: Substantial progress was made in certain areas of the text, with all parties now close to agreement on a range of Article. There was also productive discussion in other areas, including in relation to new text proposals. In other areas, there remain differences which the parties are continuing to work through. The parties will meet intersessionally before the upcoming October round.
- Agriculture: The agriculture negotiations achieved significant progress over four intensive days, which were conducted in a good spirit, though much work remains. A number of important technical articles are close to closure, with progress on others and the opportunity opening up to address other important barriers that affect trade in agriculture. Intensive inter-sessional work will lead into the next round.
- Good Regulatory Practice: Progress was made at the round, with a couple of additional articles being agreed and most of the chapter text being considered in detail. Discussions also canvassed some alternative proposals, including different approaches to the scope. An intersessional meeting is planned prior to the next round.
- Services Domestic Regulation: Services Domestic Regulation continued to move towards conclusion, with Parties removing brackets on over 80% of the text. In Bangkok negotiators continued to focus on transition and flexibility arrangements for Parties, as well as a number substantive provisions that remain bracketed.
- Technical Assistance & Economic Cooperation: Further progress was made on the Technical Assistance and Economic Cooperation chapter, with only a small number of issues left outstanding.

Pillar III (Clean Economy): Partners further streamlined the negotiation text, honing in on options for resolving a now small number of outstanding issues. Intersessional work is planned to develop bridging proposals on these for consideration at the next round. Partners considered legal and institutional provisions, including modalities for future collaboration on implementation. Partners also presented proposals for cooperative work programs, with a view to future decisions on which can be launched at the end of the negotiations.

Pillar IV (Fair Economy): The Fair Economy negotiators substantially reduced the number of bracketed text during the Bangkok round, and have agreed to five intersessional meetings before the next negotiating round on various parts of the Anti-Corruption text. Discussions between lawyers on the Legal & Institutional provisions continued, which are also on the agenda to discuss intersessionally.

Where can I find out more?

Further information about the IPEF is available [here](#).