

Second round of IPEF talks starts today

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India is hosting the second round of negotiations of the United States-led Indo-Pacific Economic Framework (IPEF) in the national capital starting Wednesday.

There will be negotiations on three of the four pillars under IPEF — supply chain, clean economy, and fair economy. India has decided to stay out of the trade pillar at the moment.

The first negotiating round took place in Australia's Brisbane in December, which focused on the trade pillar that covered issues, such as trade facilitation, agriculture, services, domestic regulation, transparency, and good regulatory practices.

Fourteen countries, including India and the US, are members of the IPEF that was launched on the sidelines of the Quad Summit in Tokyo in May last year.

It is seen as an economic initiative to counter China's influence in the South and Southeast Asian nations.

Experts pointed out India needs to tread cautiously before making binding commitments on issues such as the labour standards, environment.

Biswajit Dhar, professor of economics at the Jawaharlal Nehru University, said the US would push for commitments on labour standards and environment through supply chains and clean economy pillars.

“For instance, India has made voluntary commitments as far as global climate-related commitments are concerned. However, the IPEF dynamics are different and may focus on quicker clean economy transitions,” Dhar said.