

India inks supply-chain pact at IPEF



Union Minister for Commerce & Industry Piyush Goyal with US Secretary of Commerce Gina Raimondo

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India, the United States (US) and 12 other members of the Indo-Pacific Economic Framework For Prosperity (IPEF) group have signed a supply chain resilience agreement that would provide benefits like potential shifting of production centres in critical sectors and mitigating risks of economic disruptions from supply chain shocks.

The agreement was signed in San Francisco, where Commerce and Industry Minister Piyush Goyal is attending the ministerial meeting of the IPEF. The agreement would help member countries like India to reduce their dependence on China.

The Covid outbreak severely disrupted the global supply chain, as most coun-

tries were dependent on China for various products, like pharma raw materials. On the social networking platform X, on Wednesday, Goyal said: "India joins the US and 12 other IPEF partners to ink the IPEF Supply Chain Resilience Agreement, a first-of-its-kind international agreement that will fortify and strengthen global supply chains; and foster adaptability, stability and sustainability". Members of the bloc concluded the negotiations on this agreement, one of the four pillars of the IPEF, on May 27, this year in Detroit.

The other benefits of the pact include supply chain diversification, mobilisation of investments, deeper integration of India in global value chains, support to MSMEs and creation of a seamless regional trade ecosystem, which would facilitate the flow of Indian products.