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MEDIA RELEASE

THE SIXTH ROUND OF INDO-PACIFIC ECONOMIC FRAMEWORK (IPEF), KUALA LUMPUR, 15 – 24 OCTOBER 2023

Malaysia hosted the 6th Round of the Indo-Pacific Economic Framework (IPEF) Negotiations in Kuala Lumpur from 15 to 24 October 2023.

IPEF is an Economic Framework led by the United States and is currently being negotiated with 13 other countries namely Australia, Brunei Darussalam, Fiji, Philippines, India, Indonesia, Japan, Malaysia, New Zealand, Republic of Korea, Singapore, Thailand and Viet Nam.

The hosting of the 6th Round of IPEF Negotiations by Malaysia is to continue the momentum of the negotiations by IPEF countries before the next IPEF Ministerial Meeting.

The IPEF Economic Framework consists of four main pillars agreed by the IPEF Ministers on 8 and 9 September 2022 in Los Angeles, United States, which are:

- (a) Pillar 1 – Trade;
- (b) Pillar 2 – Supply Chain;
- (c) Pillar 3 – Clean Economy; dan
- (d) Pillar 4 – Fair Economy.

In this regard, the IPEF negotiations are expected to result in four separate Agreements for each of these pillars. The United States has also informed that only Pillar 1 agreement will be binding and subject to dispute resolution mechanism, while agreement for Pillars 2, 3 and 4 are non-binding.

The IPEF Economic Framework is important for Malaysia as the country relies on international trade for economic growth. IPEF's cooperation, among other things, emphasizes the interconnectedness of the supply chain between member countries, which is important for the country's economic growth. For the record, IPEF member countries represent 40 percent of the world's Gross Domestic Product (GDP) and 28 percent of global trade in goods and services.

Malaysia's involvement in the IPEF economic framework will showcase Malaysia's preparedness to work together with all IPEF partner countries, especially with countries that Malaysia do not have an FTA with currently.



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Six rounds of the IPEF Senior Official Meetings has been held thus far as follows:

- (a) 9-16 December 2022, Brisbane, Australia;
- (b) 8-11 February 2023, New Delhi, India (Special Round);
- (c) 13-19 March 2023, Bali, Indonesia;
- (d) 8-15 May 2023, Singapore;
- (e) 9-15 July 2023, Busan, Korea; and
- (f) 10-16 September 2023, Bangkok, Thailand.

The Minister of Investment, Trade and Industry, Tengku Datuk Seri Utama Zafrul Aziz, highlighted that, *"The hosting of the 6th round of IPEF negotiations will increase the credibility and symbolize the serious commitment of the Malaysian Government in playing an active role in the IPEF negotiations, in addition to fostering a network of cooperation between Malaysia while engaging experts from the partner countries.*

As the host, Malaysia has the advantage of highlighting issues of interest to Malaysia such as Technical Assistance and Economic Cooperation, Digitisation and Supply Chain".

At the same time, the Ministry of Investment, Trade and Industry will continue to consult with stakeholders including relevant Ministries and agencies to ensure Malaysia's interests are safeguarded throughout the IPEF negotiation process.

MINISTRY OF INVESTMENT, TRADE & INDUSTRY (MITI)

19 OCTOBER 2023

ABOUT MITI:

MITI is the key driver in making Malaysia the preferred destination for quality investments and enhancing the nation's rising status as a globally competitive trading nation. Its objectives and roles are oriented towards ensuring Malaysia's rapid economic development and help achieve the country's stated goal of becoming a developed nation.



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