

Meeting of the OECD Council at Ministerial Level

Paris, 7-8 June 2023



OECD STRATEGIC FRAMEWORK FOR THE INDO-PACIFIC

OECD Strategic Framework for the Indo-Pacific

1. Engagement with countries of the Indo-Pacific has been a strategic priority for OECD Members for several decades. Back in 2007, the Organisation decided to give strategic priority to enhanced engagement with Southeast Asia [[C/MIN\(2007\)4/FINAL](#)], a strategic endeavour reaffirmed during the launch of the Southeast Asia Regional Programme (SEARP) in 2014 [[C/MIN\(2014\)12](#)]. Since then, OECD co-operation with the Indo-Pacific has continued to strengthen and deepen through country programmes, joint work programmes, regional networks and most recently the first Memorandum of Understanding (MOU) with the Association of Southeast Asian Nations (ASEAN).
2. Impressive economic, dynamic and demographic developments have confirmed the strategic importance of the Indo-Pacific. It is now a vital engine of growth for the global economy and accounts for over two thirds of global GDP and more than half of the global population. It is an epicentre of world maritime trade, and provides essential links for global value chains, including for critical, high-demand inputs such as semiconductors and clean energy technologies. It is also at the forefront of the climate challenge, both in terms of its potentially significant role in global climate mitigation efforts and because of the region's vulnerability to the consequences of climate change.¹

Objectives of the Strategic Framework

3. Building on this long-standing collaboration, the main goal of this Strategic Framework is to provide a basis for ever strengthened engagement with Southeast Asia and the Indo-Pacific at large. As it includes rapidly growing countries – often of systemic importance – from the OECD and beyond, this region's critical importance for the future of multilateralism, and thus for the OECD, is evident. Against the background of their increasing economic integration through trade and investment, OECD Members and Indo-Pacific countries and economies have a strong interest in abiding by the same standards. The objectives of this Strategic Framework, to be further developed in concert with our Indo-Pacific partners, will include:
 - building a strong, inclusive and sustainable economic recovery from recent shocks;
 - working together to mitigate and adapt to climate change, promote the energy transition to climate neutrality while protecting energy security, counter biodiversity loss, pollution, other forms of environmental degradation and strengthen ocean governance;
 - managing the digital transformation and work to improve trusted connectivity;
 - promoting human development by delivering on the Sustainable Development Goals including gender equality and women's economic empowerment, decent work and economic growth, quality education, and reduced inequality;
 - building more resilient and sustainable supply-chains; and,
 - protecting and strengthening the global rules-based trading system.

In all of the above areas, greater engagement with the Indo-Pacific will help us achieve meaningful results on these important shared challenges.

¹ IEA, *Global coal consumption, 2000-2025*, <https://www.iea.org/data-and-statistics/charts/global-coal-consumption-2000-2025>

4. In order to best accomplish such policy goals, the OECD aims to work closely with the countries of the Indo-Pacific to:
 - a. increase their alignment with OECD standards with a view to potentially adhere to OECD legal instruments;
 - b. substantially enhance Indo-Pacific countries' participation in OECD bodies and identify Indo-Pacific countries for possible OECD membership;
 - c. increase high-level engagement between the OECD and Indo-Pacific countries; and,
 - d. strengthen institutional relationships with key regional organisations.
5. One of the key objectives of this Strategic Framework is to welcome more Indo-Pacific countries into the OECD's membership, recognising OECD Ministers' repeated statements that Southeast Asia is a region of strategic priority "with a view to identifying countries for possible membership."² Having more countries from the region in the OECD's membership would be of mutual benefit and could further enhance the Organisation's role as an international hub for knowledge sharing and standard-setting, while also strengthening the Indo-Pacific's voices in global policy dialogue and decision making.
6. Key Partnerships, as well as Regional and Country Programmes with Indo-Pacific Countries will also continue to contribute to the achievement of the above-mentioned policy goals.

Principles of engagement

7. The OECD will base its engagement with the Indo-Pacific region on the following principles:
 - a. Engagement with the Indo-Pacific is a partnership of equals.
 - b. Co-operation is based on shared interests and mutual benefits, with consideration to the diversity of countries from the region.
 - c. OECD standards and best practices provide an important foundation for economic and social prosperity. While the OECD looks to promote closer alignment with OECD standards and participation in the work of OECD bodies by Indo-Pacific countries, this convergence must be mutually desirable and in line with the policy and reform priorities of countries and organisations from the Indo-Pacific.

Implementation

8. The OECD engages with the region through a range of global relations tools.³ Implementation of this Strategic Framework will be driven through these tools where possible, including the Key Partnerships with China, India and Indonesia, other country specific approaches, as well as the Southeast Asia Regional Programme.⁴

² [C/MIN\(2007\)4/FINAL](#); [C/MIN\(2014\)12](#); [C\(2017\)92/FINAL](#); [C/MIN\(2021\)17/FINAL](#) and [C/MIN\(2022\)3](#).

³ Current engagement frameworks include the Southeast Asia Regional Programme (SEARP), the Key Partnerships with the People's Republic of China (China), India and Indonesia, the Country Programme with Thailand, and MoUs with Singapore, Viet Nam and ASEAN.

⁴ The Southeast Asia Regional Programme was established to bring participating countries closer to OECD standards and best practices, facilitate access to the expertise of OECD bodies and adherence to its legal

9. The Organisation will review the operation of these tools and strengthen their focus on achieving the objectives described above. We will examine the resourcing of these tools and consider whether additional resources are required to achieve our objectives.
10. Recognising the priority areas set out in the existing strategies of OECD Members for co-operation with the Indo-Pacific region, the OECD can provide added value and mutual benefits through distinctive contributions in selected areas.
11. The OECD invites Indo-Pacific countries, as well as ASEAN as a regional organisation, to consider how to step up their policy dialogue through regular participation in their respective activities, including meetings of substantive OECD committees and high-level meetings, such as the OECD Ministerial Council Meetings, and increased adherence to OECD standards by Indo-Pacific countries.
12. The Organisation also recognises that the need to deepen and broaden its engagement may require new mechanisms of co-operation, such as an enhanced OECD presence in the region and engagement with additional regional organisations and fora, such as the Pacific Islands Forum (PIF).
13. The OECD will develop a plan to implement this Strategic Framework, in full consultation and co-operation with partners in the region through existing mechanisms before the OECD Ministerial Council Meeting in 2024. The plan will contain specific, measurable targets and concrete deliverables aligned with the objectives and principles of this Strategic Framework.

instruments. The Programme fosters the exchange of good practices and mutual learning between policy makers in Southeast Asia and OECD countries, bringing perspectives from the region to enrich the policy debate at the OECD [\[C/MIN\(2014\)12\]](#).

