

MINISTERIAL STATEMENT FOR PILLAR III OF THE INDO-PACIFIC ECONOMIC FRAMEWORK FOR PROSPERITY

Indo-Pacific Economic Framework for Prosperity (IPEF)

Pillar III – Clean Economy

We, the Ministers of Australia, Brunei Darussalam, Fiji, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, the United States, and Viet Nam, in recognition of our enormous energy and infrastructure needs and in line with our Paris Agreement goals and efforts, intend to accelerate our efforts in pursuit of greenhouse gas emissions mitigation and elimination, enhanced energy security, and climate resilience and adaptation, as well as sustainable livelihoods and quality jobs for our populations.

We are determined to advance cooperation on research, development, commercialization, availability, accessibility, and deployment of clean energy and climate friendly technologies; as well as on policy frameworks, capacity building, technical assistance, innovative financing approaches, public-private partnerships, platforms, and networks that deliver quality, sustainable projects and solutions that advance our aims. We recognize the need to promote just transitions through the creation of decent work, quality jobs, and labor rights based on the ILO Declaration on Fundamental Principles and Rights at Work, which the Partners have adopted. As we pursue our shared objectives and respective pathways to net zero economies over time, we recognize the unique national circumstances of each Partner, including their development needs.

We recognize that the clean energy transition offers massive market, investment, industrialization, and quality job opportunities across the Indo-Pacific region. Working together on enabling commerce within and across borders, we can unlock the region's abundant clean energy resources and substantial carbon sequestration potential while promoting low- and zero-emissions goods and services and reducing overall greenhouse gas emissions. We also recognize that ensuring the active participation of our stakeholders, including the private sector, workers, universities, and research institutions in shaping the clean economy will require innovation and creativity. We are committed to working together in an open and inclusive manner, and we recognize the important role that local and other communities, women, and indigenous peoples play in realizing our shared goals.

- *Energy Security and Transition.* We recognize energy access and affordability, energy efficiency and conservation, demand side management, diversity of energy sources, and system resilience are critical to the region's energy security and transition. We intend to pursue provisions and initiatives that enhance our cooperation and share best practices on policies, standards, incentive frameworks, and infrastructure investment related to deployment of emerging clean energy technologies and expansion of clean energy capacity, production, and trade; promotion of energy efficiency and conservation, including regional electric grid enhancements; and advancement of energy sector methane abatement. We recognize the importance of finding creative and innovative ways of reducing our dependence on fossil fuel energy, taking into account our respective energy security and transition initiatives.

- *Greenhouse Gas Emissions Reductions in Priority Sectors.* To accelerate climate action and sustainable growth across the region, our goal is to reduce greenhouse gas emissions across priority sectors, in pursuit of our respective pathways to net zero. We intend to pursue provisions and initiatives that support policies, incentive frameworks, and infrastructure investment to scale up low- and zero-emissions goods, services, and fuels.
- *Sustainable Land, Water, and Ocean Solutions.* We recognize that sustainable land use and the ocean are critical to sustainable livelihoods, environmental stewardship, and climate action. We intend to pursue provisions and initiatives on land use, including the promotion of sustainable agricultural practices, such as more efficient water and fertilizer use, and sustainable forest management. We also intend to enhance cooperation on sustainable water solutions. We aim to advance ocean-based climate solutions including offshore renewable energy and maritime transport.
- *Innovative Technologies for Greenhouse Gas Removal.* We recognize the importance of scaling and reducing the cost of safe and sustainable greenhouse gas removal technologies, as well as innovative and durable nature-based solutions in pursuit of our respective pathways to net zero. We intend to pursue provisions and initiatives that support demand and supply for carbon capture, utilization, transport, and storage across the region; support regional efforts to foster market and non-market solutions; and work towards robust monitoring, reporting, and verification standards.
- *Incentives to Enable the Clean Economy Transition.* We recognize the critical role of both the public and private sectors in realizing clean economy goals. We intend to pursue provisions and initiatives that encourage the adoption of demand-side measures that contribute to the development of markets for low- and zero-emissions goods and services, including government and private sector procurement as well as enhance cooperation on high-integrity carbon market development and operation in the region. We also intend to enhance our cooperation on mobilizing investment and sustainable finance for low- and zero-emissions projects and those projects transitioning existing assets to low- and zero-emissions futures by supporting enabling policies; promoting secure, diverse, and resilient clean energy supply chains; developing platforms to pilot initiatives; growing the pipeline of bankable projects; and mobilizing resources including private and institutional capital through public-private partnerships and international blended finance instruments, with a focus on investments in developing countries in the region. We seek to promote technical cooperation, workforce development, capacity building, and research collaborations critical to our clean economy goals, taking into consideration the needs of participating countries, in particular developing countries.

We look forward to jointly working to pursue these provisions and initiatives as part of a future-oriented effort that expands market opportunities, spurs innovation and productivity, and improves the livelihoods of our populations, in the context of just transitions, as we chart our respective pathways towards net zero economies across the Indo-Pacific region.