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Joint Standing Committee on Treaties
Parliament House
Canberra ACT 2600

INQUIRY INTO THE INDO-PACIFIC ECONOMIC FRAMEWORK FOR PROSPERITY AGREEMENT RELATING TO SUPPLY CHAIN RESILIENCE

SUBMISSION FROM STANDARDS AUSTRALIA

Standards Australia welcomes the Joint Standing Committee on Treaty's inquiry into the Indo-Pacific Economic Framework for Prosperity Agreement Relating to Supply Chain Resilience, and the opportunity to make this submission.

By way of background, **Standards Australia** is Australia's foremost standards-setting organisation. We are a not-for-profit and non-government organisation, operating under a Memorandum of Understanding with the Australian Government. As part of this mandate, we represent Australia in the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).

Standards Australia has taken an active role in supporting the Australian Government in IPEF negotiations. We believe IPEF is an ambitious undertaking which has potential to unlock great opportunities for Australian businesses with the 13 other IPEF countries, including with some of the largest and most dynamic economies in our region. It is our view that increased collaboration on the development, adoption and implementation of internationally aligned standards presents one of the biggest opportunities to build economic integration under the agreement.

Standards Australia strongly supports the prompt ratification of the Indo-Pacific Economic Framework for Prosperity Agreement Relating to Supply Chain Resilience, which will help Australia and its IPEF partners respond more effectively to supply chain challenges. Ratification of the agreement stands to support security and resilience in supply chains, increase abilities to respond to supply chain disruption and facilitate essential imports and Australia's own unique export capabilities in critical minerals and clean energy technologies, which are all focus areas for standards activities.

Further to this, Standards Australia recommends that Australia plays a proactive role under the implementation agenda of the agreement in advocating for cooperative approaches on the development and adoption of data and digital standards that enhance supply chain efficiency, transparency, and security, as well as standards that support supply chain disruption preparedness and response. We also see opportunities for Australia to be a strong voice in support of standards development, alignment and implementation activities that promote sector-specific resilience and economic objectives, including for critical minerals and clean energy technologies in support of Australia's export interests.

Cooperation on international standards development, adoption and implementation in support of supply chain security and resilience

Recent complex and challenging experiences such as the AdBlue diesel fuel crisis showcase the importance of preparing at both a national and an organisational level for unexpected supply chain disruptions. While it is increasingly clear that, in the context of the present geo-political divide, there are growing digital and physical threats to critical supply chain security and resilience.

Standards must play an important role in responding to these risks by enabling the establishment of domestic regulations for critical infrastructure, and ensuring that appropriate risk management procedures, audit baselines and incident response procedures are put in place in all IPEF members.

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Standards Australia sees considerable merit and opportunity in cooperation activities that support this ambition under the implementation of the Indo-Pacific Economic Framework for Prosperity Agreement Relating to Supply Chain Resilience. This could include efforts to support increased participation by IPEF countries in relevant international standards development processes, as well as activities that support stakeholders, including MSMEs in critical supply chains, to adopt and implement international standards that are relevant to supply chain efficiency, sustainability, security, and resilience.

Multilateral cooperation on new and critical sectors – an opportunity to support supply chains and to facilitate trade

Standards Australia considers it imperative that Australia is a strong voice in IPEF implementation on cooperative standards setting and harmonisation of standards related to critical sectors to accelerate diversification. The implementation agenda presents an opportunity to advance Australia's national interests in reducing barriers to trade for critical goods and technologies through standards harmonisation. It also is an opportunity for Australia to seek to maximise opportunities in the critical minerals and clean energy technologies sectors through collaborative, international work on standards with likeminded countries.

To maximise supply chain efficiencies in these new and emerging sectors, it is critical that the standards and technical regulations that are put in place in economies do not create unnecessary barriers to trade. In recognition of this, Standards Australia recommends that Australia focus on leading sector-specific activities under the agreement that promotes the development and adoption of international standards in these emerging sectors to facilitate trade in the region.

Recommendations

1. The ratification of Indo-Pacific Economic Framework for Prosperity Agreement Relating to Supply Chain Resilience.
2. Australia plays a proactive role under the implementation agenda of the agreement in advocating for cooperation on international standards development, adoption and implementation in support of supply chain security and resilience.
3. Australia plays a proactive role under the implementation agenda of the agreement in leading cooperation on standards harmonisation to facilitate supply chain efficiencies in critical sectors.

Once again, we welcome the opportunity to contribute ideas to this Inquiry. We would be delighted to engage further with the Committee on these matters. [REDACTED]

Yours sincerely,

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Adam Stingemore
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