

**Meeting of the Council at Ministerial Level, 2-3 May 2024****IMPLEMENTATION PLAN FOR THE OECD STRATEGIC FRAMEWORK  
FOR THE INDO-PACIFIC****JT03542451**

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## Context

1. On 7-8 June 2023, the OECD Council at Ministerial Level approved the OECD Strategic Framework for the Indo-Pacific [[C/MIN\(2023\)19/FINAL](#)] (hereafter the “Strategic Framework”), which foresees that “*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*”.

2. On this basis, the present document sets out an Implementation Plan for the Strategic Framework. The Implementation Plan **builds on existing global relations tools, and their underlying mandates, budgets and policy areas of engagement**, through the Southeast Asia Regional Programme (SEARP)<sup>1</sup> and its established 13 work streams; Key Partnerships<sup>2</sup> with the People’s Republic of China (hereafter “China”),<sup>3</sup> India and Indonesia;<sup>4</sup> the OECD-Thailand Country Programme;<sup>5</sup> the engagement with Viet Nam and Singapore; and with regional organisations and institutions.<sup>6</sup>

3. It draws on existing structures enhancing OECD presence in the region, namely the OECD Tokyo Centre and OECD Offices in Jakarta and Beijing, and proposes additional physical presence with ASEAN in Jakarta, Indonesia and in New Delhi, India. The Tokyo Centre will continue its transition towards a Global Relations office, following Council’s consultation on 8-9 November 2023 [[C\(2023\)105/FINAL](#)], by facilitating the dissemination of OECD work on the Indo-Pacific through hosting webinars, trainings, and roundtable discussions in close synergy with other OECD offices in the region.

4. The Implementation Plan **addresses the objectives of the Strategic Framework** with an emphasis on:

- building strong, inclusive and sustainable economies;
- working together to mitigate and adapt to climate change, promoting the energy transition to climate neutrality while protecting energy security, countering biodiversity loss, pollution, other forms of environmental degradation and strengthening ocean governance as well as a focus on plastics and the circular economy;
- managing the digital transformation and work to improve trusted connectivity;
- strengthening cyber and digital security;
- 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, reducing inequality and enhancing wellbeing;
- attracting more, better, and safe foreign direct investment;
- building more resilient and sustainable supply-chains; and
- protecting and strengthening the global rules-based trading system.

<sup>1</sup> Establishment of a Southeast Asia Regional Programme [[C/MIN\(2013\)14](#) and [C/M\(2013\)12](#), Item 104] and The OECD Southeast Asia Regional Programme [[C/MIN\(2014\)12](#) and [C/M\(2014\)7](#), Item 97].

<sup>2</sup> [C/MIN\(2007\)4/FINAL](#)

<sup>3</sup> The Strategic Framework for OECD Co-Operation with China [[C\(2021\)66](#)] and the four-pillared approach for the OECD’s work both with and on China set in the Proposed Ways Forward for OECD-China Engagement [[C\(2022\)140](#)] were welcomed by the OECD respectively in May 2021 [[C/M\(2021\)10](#), Item 105] and September 2022 [[C/M\(2022\)18](#), Item 234].

<sup>4</sup> Indonesia signed the Framework of Co-operation Agreement (FCA) in 2012 – the first among the five Key Partners to do so – and has deepened cooperation with the OECD through four consecutive Joint Work Programmes (JWP). The OECD office in Jakarta was opened in 2015.

<sup>5</sup> [ERC\(2022\)26/REV2](#); [ERC\(2021\)26](#); [ERC\(2020\)39](#); [ERC\(2019\)24](#) and [ERC\(2018\)7](#).

<sup>6</sup> These include the Asian Development Bank (ADB), Association of Southeast Asian Nations (ASEAN); ASEAN +3 (China, Korea, Japan) Macroeconomic Research Office (AMRO); Economic Research Institute for ASEAN and East Asia (ERIA) and United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

5. These policy areas will be incorporated where possible in all the existing global relations tools, and potentially be subject to new projects and partnerships with the region. Topics to highlight for further resourcing and support could include encouraging Indo-Pacific countries to:

- Participate in the Inclusive Framework on Base Erosion and Profit Shifting (BEPS) to press on to implement the BEPS measures and the Two Pillar Solution, noting that the OECD Secretariat stands ready to assist; and encourage those countries not yet participating to do so;
- Join the Inclusive Forum on Carbon Mitigation Approaches (IFCMA);
- Support OECD work to foster private investment for renewable energy, sustainable infrastructure investment and the blue economy;
- Further engage on issues of digital transformation;
- Disseminate work on connectivity, encompassing network industries, upstream project preparation and people to people connectivity in the Indo-Pacific;
- Engage on women entrepreneurship and obstacles to greater participation of women in the labour force in the region;
- Engage in OECD work on SME policies and financing in the region, including on the benefits of digitalisation;
- Disseminate work supporting the emerging social protection systems in the region, namely on health, pensions, and unemployment support;
- Disseminate the results of the OECD Skills Strategy for Southeast Asia and other education and skills related activities;
- Engage in work on supply chain resilience and the attraction of more, better and safe foreign direct investment in the region; and
- Engage in OECD work on protecting and strengthening the global rules-based trading system and the important role of free trade agreements, such as the Comprehensive and Progressive Agreement for the Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP), as well as the Indo-Pacific Economic Framework for Prosperity to advance resilience, sustainability, inclusiveness, economic growth, fairness, and competitiveness for our economies.

6. The Strategic Framework calls for working closely with the countries of the Indo-Pacific to:

- increase their alignment with OECD standards with a view to potentially adhere to OECD legal instruments;
- substantially enhance the participation of Indo-Pacific countries in OECD bodies and identify Indo-Pacific countries for possible OECD membership;
- increase high-level engagement between the OECD and Indo-Pacific countries; and
- strengthen institutional relationships with key regional organisations.

## Outputs of the Implementation Plan

7. **Making OECD standards count on a global scale.** Working towards making OECD standards count on a global scale, the Implementation Plan focuses on engaging with partner countries from the region in areas ranging from climate change to artificial intelligence, the digital transformation, cyber and digital security, quality infrastructure investment, resilient and sustainable supply chains, and inclusive growth. This would foster not only greater familiarity with OECD standards and best practices, but also increased participation with OECD bodies. Pending funding, additional activities could include:

- **Technical, capacity-building, and twinning seminars** on key OECD legal instruments for Indonesia, Thailand and other Indo-Pacific countries,<sup>7</sup> such as the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions [[OECD/LEGAL/0293](#)], the Declaration on International Investment and Multinational Enterprises [[OECD/LEGAL/0144](#)], the Decisions Adopting the Codes of Liberalisation of Current Invisible Operations [[OECD/LEGAL/0001](#)] and of Capital Movements [[OECD/LEGAL/0002](#)], the Recommendation on Principles on Corporate Governance [[OECD/LEGAL/0413](#)].
- **Gap studies, practical and detailed policy briefs and training workshops** to assess alignment with OECD legal instruments. Several countries in the region have undertaken country gap assessments to see where they stand vis-a-vis the OECD legal instruments and these exercises could be further encouraged and expanded to hands-on policy briefs linked to training workshops in additional countries.

8. **Strengthening co-operation with the Association of Southeast Asian Nations (ASEAN).** Since its launch in 2014, the SEARP has worked closely with ASEAN and supported the ASEAN Secretariat and ASEAN Chairs with a number of deliverables. These include, amongst others, the *ASEAN Principles for Public Private Partnerships*, *ASEAN Principles on Good Business Registration Practice*, and *ASEAN Guidelines of Micro Enterprises*. Endorsed by ASEAN Leaders, the ASEAN Comprehensive Recovery Framework (ACRF) identified the OECD as a partner in its implementation plan. This was followed by the first MOU between ASEAN and the OECD signed in February 2022 at the SEARP Ministerial Meeting in Seoul, Korea. The Implementation Plan aligns with national and regional frameworks, including the ASEAN Outlook on the Indo-Pacific (AOIP). To further strengthen this relationship, it is proposed to have an in-country liaison officer responsible for enhancing OECD relations with the ASEAN Secretariat and for liaising with ASEAN Member States and ASEAN partners.

- **ASEAN Liaison Officer** based in Jakarta, Indonesia. The OECD Office in Jakarta has one person on the ground responsible for overall OECD-Indonesia relations. To complement the signing of the MOU with ASEAN in February 2022, a dedicated ASEAN liaison official embedded in the ASEAN Secretariat would contribute to strengthening relations between the two Organisations and their Members. The ASEAN Secretariat has signalled openness to this idea in principle.

9. **Asia/OECD awareness: a two-way approach** through fostering greater understanding of the OECD in Asia and Asia in the OECD. The Implementation Plan encourages more staff on loan from governments of Asian countries to the Organisation, who can then contribute to the understanding of OECD matters back in capitals. In addition to the existing engagement with Thailand, Viet Nam, and Singapore, a particular focus would be placed on Indonesia. The Implementation Plan promotes also secondments of OECD officials to partner organisations and institutions based in the region, including the Asian Development Bank (ADB), the Asia-Pacific Economic Cooperation (APEC), the Economic Research Institute for ASEAN and East Asia (ERIA), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and potentially the ASEAN Secretariat or ASEAN member ministries and agencies.

- Staff on Loan Programme for Thailand – GRC, ECO among others
  - *Fully financed by Thailand through 2025*
- Staff on Loan Programme for Viet Nam – GRC
  - *Fully financed by Australia via voluntary contributions through 2025*

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<sup>7</sup> See 2017 Framework for the Consideration of Prospective Members [[C\(2017\)50/FINAL](#)].

- Staff on Loan Programme for Singapore – SDD and STI
  - *Fully financed by Singapore through 2024*
- OECD officials on loan to ADB, ASEAN, ERIA, UNESCAP, ASEAN member ministries and agencies.

10. **Indonesia: Next steps on the accession request.** On 14 July 2023, Indonesia formally expressed its interest in joining the Organisation and requested to start the accession process to the OECD through a letter signed by the Coordinating Minister for Economic Affairs, Mr. Airlangga Hartarto, on behalf of the Government of Indonesia. In the letter, the Indonesian government recognises that OECD accession would provide a catalyst for reform and continuity to achieve Indonesia’s national development goals, as well as enabling Indonesia to access the numerous benefits of OECD membership. On 20 February 2024, the OECD Council decided to open accession discussions with Indonesia [[C\(2023\)176/FINAL](#); [C/M\(2024\)2](#)]. Subsequently, the Accession Roadmap for Indonesia was adopted on 29 March 2024 [[C/MIN\(2024\)7](#)].

- A comprehensive and structured secondment programme supporting staff on loan from the Indonesian government to OECD directorates could be envisaged.
- Targeted assistance and capacity support for the Indonesian government focusing on the alignment necessary in the context of the OECD accession process.

11. **Thailand: Next steps on the accession request.** On 13 February 2024, H.E. Srettha Thavisin, the Prime Minister of Thailand, sent a letter formally requesting to begin the accession process to the OECD. This letter follows the Thai Cabinet’s resolution on 26 December 2023 approving Thailand’s request to join the OECD. In the letter, the Prime Minister states that OECD membership would accelerate the process of regulatory alignment with OECD standards, improve its policy competitiveness, and create a better business climate with fair competition and transparency.

- A more comprehensive and structured secondment programme supporting staff on loan from the Thai government to OECD directorates could be envisaged.
- Targeted assistance and capacity support for the Thai government focusing on alignment necessary in the context of the OECD accession process.

## 12. **Engagement with China:**

- In line with the four-pillared approach for the OECD’s work both with and on China outlined in the Proposed Ways Forward for OECD-China Engagement [[C\(2022\)140](#)], the OECD will seek to enhance its co-operation with China on issues of shared international concern that require sustained multilateral engagement, such as climate change and environment, as well as international tax policy co-operation based on mutually beneficial engagement.
- The OECD will also continue engaging with China in policy areas where China’s increased alignment with OECD standards and best practices, potential adherence to OECD legal instruments and sharing of information can contribute to reducing policy distortions and levelling the global playing field, including macroeconomic analysis, corporate governance and SOEs, trade in services, investment, including responsible business conduct (RBC), education, agriculture, development co-operation, and science and innovation.
- To this end, discussions are underway in the External Relations Committee and Council on an agenda of engagement with China focusing on selected priorities and concrete deliverables in the areas listed above. Such an agenda aims at strengthening the effectiveness, predictability and constructiveness of the OECD’s engagement with China, while putting Members’ priorities first.

13. **Supporting OECD awareness raising in India.** Following the successful G20 engagement, continue to work with the government of India on OECD strategic priorities including tax policy, economic surveillance, clean energy and environment, corporate governance, RBC, competition, digitalisation and

artificial intelligence (AI), education, investment and private sector development, among others. Pending funding, one way to enhanced awareness of the OECD in India is to have an in-country liaison officer to work with the main Union Government, such as the Ministries of External Affairs; Finance; Corporate Governance; Education; Commerce and Industry; and Environment, Forest and Climate Change; and the Reserve Bank of India, among others. The OECD would also work closely with business associations and think tanks.

- **India Liaison representative** based in New Delhi, India. Drawing on the lessons learned from the almost a decade of local presence in Indonesia, engagement with India would be greatly enhanced with an Indian Liaison Officer based in New Delhi. OECD engagement with India on the G20, including with a seconded official embedded in the Ministry of External Affairs, strengthened the co-operation and mutual understanding between India and the Organisation. Capitalising on this momentum with a dedicated official in India would help raise engagement to a higher level with the main government ministries at the federal level.
- The OECD is in discussions with the Confederation of Indian Industries (CII) to strengthen collaboration with the Indian business community through an MoU. The areas under discussion are RBC, corporate governance, anti-corruption, investment and competition policies, SMEs, health policy, connectivity and digitalisation and environment and sustainability issues.
- Many Indian ministries work closely with Indian think tanks and at times outsource OECD engagement to these entities, e.g., the Ministry of External Affairs and the Observer Research Foundation (ORF) and Research and Information System for Developing Countries (RIS); the Ministry of Finance and the National Institute of Public Finance and Policy (NIPFP). The OECD could support a network of Indian think tanks that align with strategic areas of engagement.

14. **Pacific Islands Forum (PIF).** There is a need to deepen engagement with additional key regional organisations and fora, such as the Pacific Islands Forum (PIF) and its member countries. At present, the engagement is limited to work with some countries in the Pacific region in the areas of tax policy,<sup>8</sup> the blue economy through the OECD’s Sustainable Ocean for All Initiative,<sup>9</sup> the Small Island Developing States Initiative,<sup>10</sup> and early discussions on private sector development and MSMEs. As there are many international and regional organisations and institutions involved with the Pacific Islands Forum, the OECD will stay focused on strengthening its engagement in the first instance in these four areas.

15. **South Asia.** The OECD’s engagement with South Asia, apart from India, has been limited to date, and there is scope to strengthen engagement with countries in the region. There has been some co-operation with Bangladesh, mainly focused on official development assistance (ODA), trade facilitation, health policies, and RBC in garment manufactory. In April 2022, the Development Cooperation Directorate published the report “Aligning development co-operation to the SDGs in lower middle-income countries: A case study of Bangladesh”<sup>11</sup> and in September 2023, the OECD Development Centre released the “Production Transformation Policy Review of Bangladesh”.<sup>12</sup> A project with the Asian Development Bank focused on domestic and foreign investment in Bangladesh, and an OECD Investment Policy Review of Bangladesh to be released in 2024. Pending funding for activities, the OECD Secretariat could work towards a framework for collaboration with Bangladesh.

<sup>8</sup> [Revenue Statistics in the Asia Pacific 2023](#) and [Pacific Islands Tax Administrators Association joins international efforts for tax transparency as Global Forum’s 21st observer - OECD](#)

<sup>9</sup> [COVID-19 pandemic: Towards a blue recovery in small island developing states](#)

<sup>10</sup> [Small Island Developing States - SIDS - OECD](#)

<sup>11</sup> [Aligning development co-operation to the SDGs in lower middle-income countries: A case study of Bangladesh | en | OECD](#)

<sup>12</sup> [Production Transformation Policy Review of Bangladesh: Investing in the Future of a Trading Nation | en | OECD](#)

## Next steps

16. The Secretariat will report biannually to the External Relations Committee on the outputs of the Implementation Plan to ensure that OECD engagement with the region is leveraged in a complementary and efficient manner. As the Implementation Plan builds on existing global relations tools and their underlying mandates, the ERC will continue to receive regular updates on the SEARP, Key Partners - China, India and Indonesia - and the Thailand Country Programme.

## Annex: Proposed summary text for public use

### Implementation Plan for the OECD Strategic Framework for the Indo-Pacific, MCM 2024

1. On 7-8 June 2023, the OECD Council at Ministerial Level approved the OECD Strategic Framework for the Indo-Pacific [[C/MIN\(2023\)19/FINAL](#)] (hereafter the “Strategic Framework”), which foresees that “*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*”.

### Implementation Plan

2. This Implementation Plan **builds on existing global relations tools, and their underlying mandates, budgets and policy areas of engagement**, through the Southeast Asia Regional Programme (SEARP); Key Partnerships with the People’s Republic of China (hereafter “China”), India and Indonesia; the Thailand Country Programme; the engagement with Viet Nam and Singapore; and with regional organisations and institutions. It includes existing structures enhancing OECD presence in the region, namely the OECD Tokyo Centre and OECD Offices in Jakarta and Beijing, and proposes additional physical presence with ASEAN in Jakarta, Indonesia and in New Delhi, India.

3. The Implementation Plan **addresses the objectives of the Strategic Framework** with an emphasis on:

- building strong, inclusive and sustainable economies;
- working together to mitigate and adapt to climate change, promoting the energy transition to climate neutrality while protecting energy security, countering biodiversity loss, pollution, other forms of environmental degradation and strengthening ocean governance as well as a focus on plastics and the circular economy;
- managing the digital transformation and work to improve trusted connectivity;
- strengthening cyber and digital security;
- 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, reducing inequality and enhancing wellbeing;
- attracting more, better, and safe foreign direct investment;
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- protecting and strengthening the global rules-based trading system.

4. These policy areas will be incorporated where possible in all the existing global relations tools, and potentially be subject to new projects and partnerships with the region. The Strategic Framework calls for working closely with the countries of the Indo-Pacific to:

- increase their alignment with OECD standards with a view to potentially adhere to OECD legal instruments;
- substantially enhance the participation of Indo-Pacific countries in OECD bodies and identify Indo-Pacific countries for possible OECD membership;
- increase high-level engagement between the OECD and Indo-Pacific countries; and
- strengthen institutional relationships with key regional organisations.

### Outputs of the Implementation Plan

5. **Making OECD standards count on a global scale.** Working towards making OECD standards count on a global scale, the Implementation Plan focused on engaging with partner countries from the



region in areas ranging from climate change to artificial intelligence, the digital transformation, cyber and digital security, quality infrastructure investment, resilient and sustainable supply chains and inclusive growth. This would foster not only greater familiarity with OECD standards, but also increased participation with OECD bodies, including benchmarking analyses of selected countries.

- **Technical, capacity-building, and twinning seminars** on key OECD legal instruments for Indonesia, Thailand and other Indo-Pacific countries.
- **Gap studies, practical and detailed policy briefs and training workshops** to assess alignment with OECD legal instruments.

6. **Association of Southeast Asian Nations (ASEAN).** Since its launch in 2014, the SEARP has worked closely with ASEAN and supported the ASEAN Secretariat and ASEAN Chairs with a number of deliverables. These include, amongst others, the *ASEAN Principles for Public Private Partnerships*, *ASEAN Principles on Good Business Registration Practice*, and *ASEAN Guidelines of Micro Enterprises*. Endorsed by ASEAN Leaders, the ASEAN Comprehensive Recovery Framework (ACRF) identified the OECD as a partner in its implementation plan. This was followed by the first MOU between ASEAN and the OECD signed in February 2022 at the SEARP Ministerial Meeting in Seoul, Korea. The Implementation Plan aligns with national and regional frameworks, including the ASEAN Outlook on the Indo-Pacific (AOIP). To further strengthen this relationship, it is proposed to have an in-country liaison officer responsible for enhancing OECD relations with the ASEAN Secretariat and for liaising with ASEAN Member States and ASEAN partners.

7. **Asia/OECD awareness: a two-way approach** through fostering greater understanding of the OECD in Asia and Asia in the OECD. The Implementation Plan could encourage more staff on loan from governments of Asian countries to the Organisation, who can then contribute to the understanding of OECD matters back in capitals. In addition to the existing engagement with Thailand, Viet Nam, and Singapore, a particular focus would be placed on Indonesia. The Implementation Plan could also promote secondments of OECD officials to partner organisations and institutions based in the region, including the Asian Development Bank (ADB), the Asia-Pacific Economic Cooperation (APEC), the Economic Research Institute for ASEAN and East Asia (ERIA), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and potentially the ASEAN Secretariat or ASEAN member ministries and agencies.

8. **Indonesia: Next steps on the accession request.** On 14 July 2023, Indonesia formally expressed its interest in joining the Organisation and requested to start the accession process to the OECD. The Indonesian government recognises that OECD accession would provide a catalyst for reform and continuity to achieve Indonesia's national development goals, as well as enabling Indonesia to access the numerous benefits of OECD membership. On 20 February 2024, OECD Council decided to open accession discussions with Indonesia. Subsequently, the Accession Roadmap for Indonesia was adopted on 29 March 2024.

9. **Thailand: Next steps on the accession request.** On 13 February 2024, H.E. Srettha Thavisin, the Prime Minister of Thailand, sent a letter formally requesting to begin the accession process to the OECD. The Thai government states that OECD membership would accelerate the process of regulatory alignment with OECD standards, improve its policy competitiveness, and create a better business climate with fair competition and transparency.

10. **Engagement with China.** The OECD aims to strengthen its engagement with China on areas of global concern such as climate and environment as well as international tax co-operation. The OECD will also continue engaging with China in policy areas where China's increased alignment with OECD standards and best practices and potential adherence to OECD legal instruments can contribute to reducing policy distortions and levelling the global playing field.

11. **Supporting OECD awareness raising in India.** Following the successful G20 engagement, continue to work with the Government of India on OECD strategic priorities including tax policy, economic surveillance, clean energy and environment, corporate governance, responsible business conduct (RBC), competition, digitalisation and artificial intelligence (AI), education, investment and private sector development, among others.

12. **Pacific Islands Forum (PIF).** There is a need to deepen engagement with additional key regional organisations and fora, such as the Pacific Islands Forum (PIF) and its member countries. At present the engagement is limited and there are many international and regional organisations involved with the Pacific Islands. The OECD will stay focused on strengthening its engagement in the first instance in the areas of tax policy, the OECD's Sustainable Ocean for All Initiative, Small Island Developing States Initiative, and early discussions on private sector development and MSMEs.

13. **South Asia.** Drawing on the lessons of the successful 10-year engagement through the SEARP, there is scope to strengthen engagement with the South Asia region. This could also include country-specific collaboration with Bangladesh and other partners in the region.