

Lessons from TPP

What is the issue?

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In the past, there were some discussions in India on whether the country should join Trans Pacific Partnership (TPP).

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What is TPP?

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- 12 countries that border the Pacific Ocean signed up to the TPP in February 2016, representing roughly 40% of the world's economic output. \n
- The pact aimed to deepen economic ties between these nations, slashing tariffs and fostering trade to boost growth.
- Members had also hoped to foster a closer relationship on economic policies and regulation.

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- All 12 nations needed to ratify it, before it could come into effect. \slashn
- But, with the US, the largest economy in the TPP, withdrawing from the agreement, the future of TPP is uncertain. \n

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What could India learn from TPP?

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• The TPP provides a **useful template for India** to facilitate domestic policy reform, promote regional or multilateral collaborative initiatives such as for regulatory coherence.

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• The TPP is a combination of initiatives such as those embodying **good governance principles,** viz. transparency of procedures and regulations,

timely decision, processes to facilitate transactions, standards of review, and support to improve institutional capabilities. \n

- Thus, several parts of TPP are relevant for India's ongoing efforts to enhance good governance.
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- Since the internet extends beyond national borders, agreement amongst nations become an important part of the regulatory regime for internet. \n
- The TPP becomes particularly useful in this context because it shows a framework that has been agreed amongst several nations.
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- With technological changes, India need to develop its systems and approaches broadly consistent with practices in other major economies. \n
- The mechanisms and solutions in TPP provide a model for working towards greater collaboration amongst regulators of different countries and mutually learn about options to address new issues.
- The TPP also text provides a template to consider for **collaborative arrangements** in areas such as non-tariff measures faced by Indian exports, including standards and regulatory barriers amongst nations.

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Source: Financial Express

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