

Joint Statement on the Eighth U.S.-India Economic and Financial Partnership

WASHINGTON, DC: *Today, U.S. Treasury Secretary Ms Janet L. Yellen and Union Minister of Finance & Corporate Affairs Smt. Nirmala Sitharaman met for the eighth U.S.-India Economic and Financial Partnership.*

Following the conclusion of the dialogue, Secretary Yellen and Minister Sitharaman released the following joint statement:

We were pleased to participate in the eighth ministerial meeting of the Economic and Financial Partnership and to welcome Federal Reserve Chair Jerome Powell, Reserve Bank of India Governor Shaktikanta Das, and other participants.

The U.S. Treasury and India's Ministry of Finance launched our Economic and Financial Partnership in 2010 as a framework to cement the economic bonds between our two nations and build a foundation for greater cooperation and economic growth in the future. At this meeting of the Economic and Financial Partnership — the first since the onset of the global COVID-19 pandemic — we reiterated that regular and productive dialogue on economic policies is crucial to the U.S.-India relationship and to achieving our shared global future.

During the ministerial meeting, we took stock of the extensive efforts that have already been undertaken by both sides to deepen mutual understanding and highlighted new elements of the vital bilateral relationship. We had productive discussions on a range of subjects, including the macroeconomic outlook and recovery from the pandemic, financial regulatory and technical collaboration, multilateral engagement, climate finance, and anti-money laundering and combating the financing of terrorism (AML/CFT).

We acknowledged the unprecedented impact that the COVID-19 crisis has had on lives and livelihoods. We also addressed the importance of maintaining supportive policies until a strong and inclusive recovery is firmly entrenched.

Today's meeting featured the Economic and Financial Partnership's first session dedicated to climate finance, reflecting our respective commitments to driving urgent progress in combatting climate change and the critical role of climate finance in achieving this shared global goal. We shared views on the re-energized global efforts to increase climate ambition as well as our respective domestic efforts to meet our publicly expressed climate goals. We agreed that public finance, when paired with enabling policies, can promote private finance. We reaffirmed the collective developed country goal to mobilize \$100 billion annually for developing countries from public and private sources, in the context of meaningful mitigation actions and transparency on implementation. We intend to engage further on addressing climate change between our two ministries, as well as through the Finance Mobilization pillar of the recently launched Climate Action and Finance Mobilization Dialogue (CAFMD) under the U.S.-India Climate and Clean Energy Agenda 2030 Partnership.

We reemphasized our commitment to the central role of multilateral cooperation in addressing global challenges. Both sides affirmed their commitment to debt sustainability and transparency

in bilateral lending. We acknowledged the importance of working through multilateral development banks to help India access and mobilize available financing to support development objectives, including for climate. We welcome the OECD/G20 Inclusive Framework political agreement on October 8 as representing a significant accomplishment for updating the international tax architecture to reflect the modern economy and establish an international tax system that is more stable, fairer, and fit for purpose for the 21st century. We should work together and with other partners at the technical level in order to expeditiously implement Pillars 1 and 2 by 2023. We take note of the progress made in sharing financial account information between the two countries under the Inter-Governmental Agreement pursuant to the Foreign Account Tax Compliance Act (FATCA). The two sides should continue to engage in discussions on full reciprocal arrangement on FATCA. The two sides look forward to continued collaboration for increased cooperation in sharing of information for tackling offshore tax evasion.

We plan to continue engaging on these and other global economic issues both multilaterally and bilaterally. India and the United States look forward to continued collaboration to support the global recovery under the G20 Presidency of Indonesia next year. As India prepares for its 2023 G20 Presidency, the United States stands ready to support India in hosting a successful and productive year.

The United States and India continued our strong collaboration on financial regulatory issues. In June of this year, financial regulators from both sides met for the tenth U.S.-India Financial Regulatory Dialogue to discuss a range of issues, including banking and insurance sector reform, capital markets development, payment system modernization, and data protection frameworks. In our discussions, we highlighted important structural reforms both sides have taken to strengthen their respective domestic financial systems and recognized areas where further efforts can promote growth and financial stability. The United States and India look forward to discussions on emerging financial sector topics, such as cross-border payments and payment systems and the development of the International Financial Services Centre at GIFT City.

We are continuing our successful collaboration on attracting more private sector capital to finance India's infrastructure needs, which will support growth in both countries. The United States continues to provide technical support to India's National Infrastructure and Investment Fund (NIIF), including the scaling of debt and equity platforms devoted to renewable energy and implementing new environmental, social, and corporate governance policies to meet international standards, while catalyzing private institutional investment in Indian infrastructure. We are also collaborating through continued technical support for the issuance of municipal bonds, including Green Bonds, for critical urban infrastructure improvements. India and the United States look forward to working together to prepare more cities to issue municipal bonds.

We continue to strengthen our cooperation in tackling money laundering and combating the financing of terrorism through increased information sharing and coordination. Both sides agree on the importance of fighting financial crimes and on the effective implementation of the Financial Action Task Force standards to protect our financial systems from abuse.

This eighth meeting of the Economic and Financial Partnership reflected the growing importance of the U.S.-India relationship and the increasing economic and financial ties between our two economies. Both sides eagerly anticipate continued dialogue under the Economic and Financial Partnership and the further strengthening of our bilateral relationship.