

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**TEXT OF THE JOINT STATEMENT ON SIXTH ANNUAL INDIA-US ECONOMIC
AND FINANCIAL PARTNERSHIP**

New Delhi, April 15, 2016
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The Union Finance Minister Shri Arun Jaitley and U.S Treasury Secretary Mr Jacob J. Lew met for the Sixth Annual U.S.-India Economic and Financial Partnership (EFP) in Washington D.C. yesterday.

Following the conclusion of the dialogue, Minister Shri Jaitley and Secretary Mr Lew released the following Joint Statement:

“We were pleased to participate in the sixth annual ministerial meeting of the Economic and Financial Partnership and to welcome Federal Reserve Chair Janet Yellen, Reserve Bank of India Governor Raghuram Rajan and other participants.

The United States Treasury and India’s Ministry of Finance launched our Economic and Financial Partnership in 2010 as a framework commensurate with the growing importance of our economic relationship and the significant business and cultural ties that already exist between our two nations. At this meeting, the last for the Obama Administration, we took stock of the impressive efforts that have been undertaken by both sides to deepen mutual understanding, and to improve cooperation across a wide range of bilateral and multilateral issues. We reiterated that the U.S.-India partnership will be one of the defining relationships of the 21st century.

Contributing to our bilateral relationship, five work streams have been underway at the sub-cabinet level in India and the United States. Progress has been made on all fronts.

Over the past year, our tax authorities resolved a significant portion of bilateral tax disputes between the United States and India. In addition, our governments have begun to accept bilateral Advance Pricing Agreement applications by companies in both jurisdictions in an effort to enhance cross-border business processes and strengthen our commercial ties.

We have noted the progress in sharing of financial information between the two countries under the Inter-Governmental Agreement pursuant to Foreign Account Tax Compliance Act (FATCA). The two sides will continue to engage in discussions on full reciprocal arrangement on FATCA. We look forward to increased cooperation in sharing of cross-border tax-information.

We are committed to continued collaboration and sharing of experience in tackling offshore tax evasion and avoidance, including joint tax audits and tax examination abroad. We look forward to the Competent Authorities of the two countries engaging in bilateral dialogue to move forward cooperation in these areas.

Earlier this year, in India, the U.S.-India Financial Regulatory Dialogue brought together our respective financial regulators to discuss a range of issues pertinent to our domestic financial sectors and to financial stability, including banking sector reform and development of capital markets. In addition, expert staff from Treasury and the Ministry of Finance are having consultations on the United States experience and international perspectives on the regulatory design for India's recently launched payment banks.

Under the U.S.-India Investment Initiative launched in January 2015, our governments have worked in collaboration with private sector to identify specific policies, regulatory reforms, and technical collaboration aimed at mobilizing capital from both domestic and foreign investors to build infrastructure and create jobs. We are working together to support India's National Investment and Infrastructure Fund (NIIF) in order to increase financing options for India's infrastructure growth. We look forward to continuing discussions in areas such as municipal finance under the future work of the Initiative. The next meeting of the Investment Initiative will be in the United States later in 2016.

Public debt management is an area of focus for India. India believes in continued efforts for more efficient debt and cash management, as well as the development of a deeper and more robust domestic debt market. It presents an opportunity for India's Ministry of Finance and the U.S. Treasury's Office of Technical Assistance to engage in knowledge and information sharing in India's government debt management program. Accordingly, a Terms of Reference was signed between the two to collaborate on India's government debt program.

We have enhanced our cooperation in tackling money laundering and combating the financing of terrorism through increased information sharing and cooperation, including a dialogue held recently in India. We both agree on the importance of fighting illicit finance in all forms as an important means of tackling global terrorism.

Finally, we are committed to further deepen our understanding of each other's economies. As partners and peers, we are committed to working together to collaborate in multilateral fora, such as the G20, to steer our economies toward stronger, sustainable, and balanced growth. Under the aegis of our Economic and Financial Partnership, we held a sub-cabinet level discussion among our Deputies in India in early 2016.

We are encouraged with the developments that have taken place since the launch of the Economic and Financial Partnership and look forward to continued engagement in an effort to strengthen our relationship, our economies, and the global economy."
