

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**TEXT OF THE JOINT STATEMENT ISSUED AFTER FIFTH INDIA-U.S.  
ECONOMIC AND FINANCIAL PARTNERSHIP DIALOGUE**

**New Delhi, February 12, 2015**  
**Magha 23, 1936**

The Finance Minister of India Shri Arun Jaitley and U.S. Secretary of the Treasury Mr Jacob J. Lew met here today for the Fifth Annual India-U.S. Economic and Financial Partnership. Reserve Bank of India Governor Shri Raghuram Rajan and U.S. Federal Reserve Board Vice Chairman Mr. Stanley Fischer and other senior officials from both the countries participated in the day long meeting.

The following is the text of the Joint Statement released by the Finance Minister of India Shri Jaitley and US Treasury Secretary Mr Jacob Lew after Fifth India-U.S. Economic And Financial Partnership Dialogue:

“The Indian Ministry of Finance and U.S. Department of the Treasury commit to build on the new dynamism of a renewed India-U.S. partnership for the 21st century through **“Shared Effort, Progress for All”** shaped under the leadership of President Obama and Prime Minister Modi.

We appreciate the significant efforts undertaken by both sides in recent months to re-energize the bilateral and strategic partnership that has elevated the Partnership to an unprecedented level and scale.

Our shared interest in promoting policies that foster higher and more sustainable economic growth, job creation, and financial stability has enabled us to coordinate on a wide range of issues including investment promotion, financial sector regulation, infrastructure development, tax policy, and combating money laundering and the financing of terrorism. We agreed that we would continue to grow our diversified Partnership through enhanced consultations and economic cooperation.

We discussed recent economic and financial developments in our two economies, and in the global economy at large. We noted the challenges that both of our economies face and agreed that sound macroeconomic policies, structural reforms, and strong prudential frameworks will help to boost economic growth and increase resilience to financial market volatility.

We reviewed the growing trade and investment flows between our two countries. We are confident that continued collaboration to increase bilateral trade and investment flows would enhance opportunities for Indian and U.S. citizens through greater economic growth and job creation, providing mutual benefits to both of our countries.

We appreciate the progress made under the new India-U.S. Investment Initiative, which was launched in Washington, D.C. in January 2015 between the Indian Ministry of Finance and the U.S. Department of the Treasury, following Prime Minister Modi and President Obama’s joint

pledge to establish the initiative in September 2014. We are confident that under this Initiative our two nations will continue to coordinate on facilitating capital market development conducive to financing greater investment into India, including in infrastructure, will collaborate on measures that help foster an environment for greater investment into various sectors in India, and will work together to overcome any obstacles to such investment.

We emphasized the importance of strengthening international financial institutions, including the World Bank and International Monetary Fund. Secretary Lew affirmed President Obama's commitment to the shareholder review at the World Bank and to working to leverage the resources of the multilateral development banks to enhance our impact on economic development, including through the financing of infrastructure development.

We noted the need for an early conclusion of reciprocal arrangement on the Foreign Account Tax Compliance Act and look forward to working for an early adoption of the new global standards on automatic exchange of information on a fully reciprocal basis for getting information about unaccounted money hoarded in offshore jurisdictions and tax havens. We are committed to share our experiences in tackling offshore tax evasion and avoidance. We affirmed our shared commitment to fostering an enabling tax environment and expressed our satisfaction at the progress made in resolving tax disputes.

Secretary Lew commended the Jan Dhan scheme to provide universal access to banking services for stronger and equitable growth in India. We agreed to collaborate through technical assistance for furthering financial inclusion to India's poor.

We agreed that deeper and more liquid capital markets in India will facilitate greater foreign investment across sectors, including infrastructure. Streamlining procedures for directly accessing India's onshore financial markets and allowing foreign investors to invest in a way that more directly benefits the India end-user, instead of the use of parallel off-shore markets with a chain of intermediaries, would lead to greater efficiencies and more funds available to finance investment.

Minister Jaitley underscored the need to build a broader set of financing opportunities for entrepreneurs and firms, including a more vibrant corporate bond market. Both leaders decided to further the India-U.S. alliance for developing stable and robust government and corporate bond markets, removing regulatory impediments to the deepening of capital markets, and strengthening financial regulation.

We also committed to collaborate on technical assistance in the area of public debt management.

Minister Jaitley expressed his appreciation for the efforts of the U.S. Treasury in cooperating with the Ministry of Finance on the Task Force on Resolution Corporation set up in pursuance of the recommendations of the Financial Sector Legislative Reforms Commission.

We welcomed the agreements made for information sharing between the two countries' regulatory agencies. We welcomed the prospect of an increasingly robust dialogue and meaningful cooperation on anti-money laundering and combating the financing of terrorism with the signing of the India-U.S. Memorandum of Understanding in January 2015. We reiterated our commitment to target the financial networks and fundraising activities of terrorist organizations such as Lashkar-e-Tayyiba (LeT), Jammatt-ud-Dawa (JuD), Jaishe-e-Mohammad, the Haqqani Network, D Company, Al Qaida, ISIL, and individual terrorists associated with these

organizations. We all agreed to enhance cooperation between our agencies in fighting illicit finance in all forms.

We encouraged officials on both sides to continue to evolve ambitious plans to further the Partnership. Secretary Lew thanked Minister Jaitley for hosting the first cabinet level meeting under the Economic and Financial Partnership in New Delhi and suggested to convene the sixth meeting of the Partnership in Washington, D.C. in 2016.”

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