

U.S. DEPARTMENT OF THE TREASURY

Press Center



Joint Statement of Secretary Lew and Finance Minister Chidambaram at the 2013 U.S.-India Economic and Financial Partnership

10/13/2013

Washington, D.C. – Today, U.S. Secretary of the Treasury Jacob J. Lew and Indian Finance Minister P. Chidambaram, met in Washington for the fourth annual meeting of the U.S.-India Economic and Financial Partnership. U.S. Federal Reserve Board Chairman Bernanke, Reserve Bank of India Governor Rajan, Securities Exchange Board of India Chairman Sinha, and other senior officials participated in the meeting.

The following is the Joint Statement released by Secretary Lew and Finance Minister Chidambaram.

"The economic and financial relationship between our two countries continues to deepen and strengthen. Despite a challenging global economy, U.S.-India bilateral trade in goods and services grew from \$59.9 billion to \$92.5 billion between 2009 and 2012. Indian foreign direct investment (FDI) in the United States increased from \$227 million in 2002 to almost \$5.2 billion in 2012, making India one of the fastest growing sources of investment into the United States. Total FDI inflows from the United States into India, from April 2000 to July 2013, are \$11.492 billion.

In our meeting, we discussed recent economic and financial developments in our two economies, and in the world at large, including U.S. fiscal policy. We appreciated that our Partnership has improved our mutual understanding of the challenges that both our economies face. We agreed that sound macroeconomic policies, structural reforms, and strong prudential frameworks will help us increase resiliency to financial market volatility and boost economic growth

We discussed the importance of investment for driving economic growth and job creation in our economies and ways to improve our enabling environments to mobilize investment, especially for the financing of infrastructure. We noted that President Obama and Prime Minister Singh have reaffirmed their commitment to concluding a high-standard Bilateral Investment Treaty that will foster openness to investment, transparency, and predictability, and thereby support economic growth and job creation in both countries. We will do our part to meet our Leaders' call for increased engagement by experts from both governments, underlining the need for expeditious progress to address all trade and investment policy issues of bilateral concern so as to remove obstacles and improve the business environment in both countries.

We agreed to deepen our cooperation bilaterally and in multilateral fora, including the G-20, to achieve reforms for stronger, more sustainable and more balanced growth. We also reaffirmed the importance of enhancing the credibility, legitimacy and effectiveness of the International Monetary Fund (IMF) and the urgent need to ratify the 2010 IMF Quota and Governance Reform.

We agreed to continue working towards a greater understanding of all investment related issues including taxation and IT enabled services, an equitable and principled resolution of ongoing tax disputes, and strengthened bilateral ties in this regard.

We continue to cooperate on deepening capital markets and strengthening financial regulation. We committed our financial sector experts to holding the next meeting of the Financial Regulatory Dialogue, which brings together our respective financial sector regulators, to consult on the full range of domestic and international regulatory concerns, in India in 2014.

We commit to deepening dialogue on implementation of international anti-money laundering / combating the financing of terrorism (AML/CFT) standards and expanding cooperation on countering illicit financing, including targeting the financial networks and fundraising activities of terrorist organizations, such as Lashkar-e-Tayyiba (LeT)/ Jamaat-ud Dawa (JuD) and the Haqqani Network, and individual terrorists associated with these organizations. We also agreed to enhance cooperation between our agencies in fighting against counterfeiting currency and illicit financial flows.

We will hold the next meeting of the Partnership in New Delhi in 2014."

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