

U.S. DEPARTMENT OF THE TREASURY

Press Center



Remarks by Treasury Secretary Jacob J. Lew at the Gulf Cooperation Council Finance Ministerial

10/27/2016

RIYADH – I would like to thank my colleagues from the Gulf Cooperation Council countries for inviting me to join you today, and particularly Finance Minister al-Assaf for hosting this meeting. The United States has maintained a strong partnership with the GCC member states for decades, and you are strong partners in addressing regional and global economic challenges. I expect this to remain so for many years to come.

When our leaders met in Riyadh earlier this year, they agreed to enhance U.S.-GCC economic cooperation, including by launching a U.S.-GCC Economic and Energy Ministerial. We consider today's meeting an informal start to that dialogue, and I look forward to hearing your views for how we might best take it forward.

I recognize the challenge posed to Gulf economies by lower oil prices, and admire the efforts and initiatives already undertaken by your governments to adapt to this new environment. As your governments have recognized, through ambitious reform initiatives such as Saudi Arabia's Vision 2030, there is a unique opportunity for each GCC member state to diversify its economy, expand opportunities for your people, and widen the financial base in order to make available additional resources to meet growing development needs. Steps like these will expand educational and employment opportunities for individuals and families in the region, preparing them for success in today's global economy. Deeper and more sophisticated capital markets will catalyze private sector investment. We also see great opportunities for cooperation as a group, as you have already shown with the forthcoming value added tax and the successful launch of the GCC Customs Union.

In addition to the changing economic environment, we are mindful of the evolving political and security climate in which we all work. Our security and diplomatic cooperation, including through the Camp David process, is critical to creating a stable, secure, and prosperous Gulf region. And our collective efforts to combat terrorist financing and disrupt terrorist financing networks are increasingly critical as we confront shifting regional dynamics and evolving threats. As an example of our close cooperation with Gulf partners, the United States and Saudi Arabia recently took collaborative actions to disrupt financial support to Hizballah through joint designations.

Finally, I would like to reinforce that we believe the Justice Against Sponsors of Terrorism Act would enact broad changes in long-standing international law regarding sovereign immunity that, if applied globally, could have serious implications for our shared interests. For that reason, President Obama made clear his opposition to and ultimately vetoed the measure. We remain dogged in our determination to hold individuals responsible when they commit horrendous acts and the Obama administration has proven that through our actions, not just our words. However, we believe there are ways to do that without undermining important international legal principles.

I look forward to discussing recent developments in the global economy, in our own economies and in oil markets, as well as the evolution of financial relationships between banks in the GCC and the United States and the opportunities we have to work together to the benefit of all of our countries.

Thank you.

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