

U.S. DEPARTMENT OF THE TREASURY

Joint Statement on the U.S.–UK Financial Innovation Partnership Meeting 29th June 2022

July 1, 2022

LONDON – U.S. and U.K. participants in the U.S.-UK Financial Innovation Partnership (FIP) met in London on Wednesday 29th June for a Regulatory Pillar meeting. In this third meeting of the Regulatory Pillar of the FIP, participants gathered to exchange views on topics of mutual interest in the U.S. and UK regarding crypto and digital asset ecosystems and to deepen ties between U.S. and UK financial authorities on financial innovation.

Her Majesty's Treasury hosted the Regulatory Pillar of the FIP with the U.S. Department of the Treasury on 29th June 2022. UK participants included staff from the Bank of England and the Financial Conduct Authority. U.S. participants included staff from independent regulatory agencies, including: the Board of Governors of the Federal Reserve System, Commodity Futures Trading Commission, Federal Deposit Insurance Corporation, Securities and Exchange Commission, and Office of the Comptroller of the Currency.

Participants exchanged views on crypto-asset regulation and market developments, including recent developments in relation to stablecoins and the exploration of central bank digital currencies (CBDCs).

Both sides discussed recent market developments on digital assets, including stablecoins and exchanged updates on regulatory approaches in their jurisdictions. The United States and UK are committed to continuing to cooperate to support safe innovation and strengthening regulatory outcomes for stablecoins across jurisdictions. Recent events highlight the key role of stablecoins and crypto-asset trading and lending platforms in the digital asset ecosystem, the variance in their governance and operations, and the need for robust cross-border regulatory cooperation. UK and U.S. participants also considered future opportunities for further discussion on broader crypto-asset regulatory initiatives and considerations as their respective policy and regulatory agendas progress. UK and U.S. authorities also provided updates on their approaches to CBDCs, exchanging views on their respective plans for CBDC policy research and technology exploration.

Participants also noted the importance of continued cooperation on crypto and digital assets in international fora, including the G7 Digital Payments Expert Group, the Financial Stability Board Crypto Assets Working Group and Regulatory Issues of Stablecoins Working Group, the work pursuant to the G20 Roadmap for enhancing cross-border payments, the Committee on Payments and Market Infrastructures, the group of central banks and the Bank for International Settlements (BIS) working together on CBDCs, and the International Organization of Securities Commissions' FinTech Task Force.

Participants intend to continue to engage on these topics, as well as other financial innovation topics of mutual interest, in support of the next U.S.-UK Financial Regulatory Working Group (FRWG) meeting, due to be held in July this year.

Participants recognised the continued importance of the ongoing partnership on global financial innovation as an integral component of U.S.-UK financial services cooperation. The FIP was inaugurated in 2019 at the FRWG as a means of boosting U.S.-UK engagement in financial innovation issues. The first meeting of the FIP took place in August 2020, and participants met most recently in June 2021.