

## U.S. DEPARTMENT OF THE TREASURY

# Remarks by Secretary of the Treasury Janet L. Yellen Ahead of Meeting with the U.S.-China Economic and Financial Working Groups

April 16, 2024

*As Prepared for Delivery*

Vice Minister Liao and Deputy Governor Xuan, thank you for joining us here in Washington. It is a pleasure to host you, and to see you both so soon after my recent trip to China.

I am greatly appreciative of you, the Vice Premier, and the Premier for your warm welcomes in Guangzhou and Beijing.

Over the past year, we have taken major steps to put the U.S.-China economic relationship on stronger footing.

At President Biden's direction, I have focused on intensifying communication. I've met with Vice Premier He three times in the past ten months: last July in Beijing; in November in the San Francisco Bay Area; and earlier this month in Guangzhou. And we've established the Economic and Financial Working Groups, which I'm very glad are holding their fourth meetings here in person this week.

Through our discussions to date, the U.S. and China have made progress on areas of common interest. This includes efforts to protect financial stability, combat money laundering, and address climate change, including through climate finance. As the world's two biggest economies, we must lead in these areas for the benefit of our peoples and the world.

We have also had important discussions on areas where we disagree. While in Guangzhou and Beijing this month, I was able to have frank discussions with senior Chinese officials regarding China's industrial policy practices and the negative spillovers that overcapacity can create for the global economy. These are concerns I hear not only from American firms, but from many others as well. And I continue to believe that addressing overcapacity and broader macroeconomic imbalances can help China's own economy.

During my trip, Vice Premier He and I also agreed to two significant initiatives, which I believe will let us continue advancing work on areas where our cooperation is necessary, and to

continue deepening our understanding on areas where we disagree.

Today, less than two weeks since the conclusion of my meetings with Vice Premier He, we are engaging in the intensive exchange we agreed to on balanced growth in the domestic and global economies. This exchange allows us to continue to discuss and address a broad range of issues, including economic policies that can contribute to addressing domestic and external imbalances. We are also holding our first meeting of the Joint Treasury-PBOC Cooperation and Exchange on Anti-Money Laundering, where the teams will discuss the regulation of virtual assets and beneficial ownership, among other issues.

We'll continue to move both initiatives forward in the context of these Working Groups.

As we look to the months ahead, I look forward to advancing collaboration on shared goals and addressing misunderstandings. Despite the challenges that the U.S.-China relationship may endure in the weeks and months ahead, President Biden and I are firmly committed to responsibly managing this relationship. Our continued communication and shared work matter for our people and for people around the world.

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