

Joint Statement of the 8th China-Russia Financial Dialogue

This year marks the 70th anniversary of the establishment of China-Russia diplomatic relations. With a view of implementing the important consensus reached in the Joint Declaration on Developing a Comprehensive Strategic Partnership of Cooperation for a New Era signed by the two Heads of states, and enriching the connotation of this partnership, Mr. Liu Kun, the Finance Minister of the People's Republic of China, and Mr. Anton Siluanov, First Deputy Prime Minister and Finance Minister of the Russian Federation, co-hosted the 8th China-Russia Financial Dialogue in Moscow on August 22, 2019. During this dialogue, the Russian and Chinese sides had the in-depth exchange of views on economic and financial issues of mutual interest, and reached important consensus as following:

1. Both sides reaffirm their commitment to deepen bilateral economic and financial relations by enhancing macroeconomic policy coordination and strengthening communication and cooperation on economic and financial issues of mutual interest. Both sides commit to promoting a more favorable environment through fiscal and taxation cooperation for continuous growth of bilateral trade and investment.

2. Both sides reaffirm their commitment to support multilateralism, uphold and promote the rule-based multilateral trading system with the WTO at its core, and oppose unilateralism and protectionism. Both sides will deepen cooperation in the context of multilateral frameworks including the G20, BRICS and APEC, as well as international financial institutions including the World Bank, with a view to improve global economic governance, build an open world economy, promote strong,

sustainable, balanced and inclusive growth, and enhance voices and representation of developing countries and emerging economies. China supports the efforts of Russia as the chairman of BRICS in 2020 and of the SCO in 2019-2020.

3. Both sides, as the founding members of the New Development Bank (NDB), note with appreciation the role of the NDB in infrastructure financing and sustainable development and stress the need for enhanced and continued efforts to build a strong, balanced and high-quality portfolio of projects. Both sides, support the Bank's steady operation expansion to facilitate infrastructure development and address insufficient infrastructure investments in key sectors of the member countries, and emphasize the importance of a focused effort to address the backlog in critical infrastructure investments in member countries. The NDB will be strengthened by the establishment of regional offices. Both sides welcome the NDB's commitment to mobilise resources in the domestic currencies of all its members, starting in China, as well as the upcoming bond programmes in South Africa and Russia, and look forward to the early implementation of the NDB Project Preparation Fund to become an efficient instrument for the preparation of projects, providing technical assistance to the NDB member countries. Both sides support the membership expansion, and welcome the substantive measures taken by the NDB in this regard, aiming for concrete progress by the 11th BRICS Summit to be held in November 2019.

4. Both sides welcome the significant progress made by the Asian Infrastructure Investment Bank (AIIB), and expect the AIIB to continue expanding its operations and enhancing its global influence in future. Both sides reaffirm their commitment to the AIIB, and will continue to strengthen close cooperation on the AIIB agenda.

5. Both sides highly value the results of the 2nd Belt and Road Forum for International Cooperation held in April 2019 in Beijing. Both sides will continue to coordinate efforts in the synergy between the EAEU and the BRI for the benefit of the people of the Eurasian continent. To this end, both sides agreed to focus on high-quality infrastructure which is, sustainable, resilient, affordable, accessible, inclusive and broadly beneficial. Based on the «Guiding Principles on Financing the Development of the Belt and Road», both sides will work together to explore ways to mobilize funds via multiple channels, especially from the private sector. Russia welcomes the release of the «Debt Sustainability Framework for Participating Countries of the Belt and Road Initiative» by the Ministry of Finance of China.

6. Both sides recognize the importance of the Multilateral Cooperation Center for Development Finance (MCDF) aiming to foster infrastructure connectivity through facilitating information sharing, capacity building and project preparation.

7. Both sides agree to enhance communication and cooperation on fiscal and tax policies in the spirit of mutual learning, exchanging experiences on budget management reform, government financial statement, bond issuance and informatization of treasury management.

Both sides will strengthen tax policy communication and cooperation under the multilateral frameworks such as G20 and OECD, and appeal to establish a mechanism to exchange points of view on tax policy under such frameworks.

8. Both sides welcome the efforts of the Central Bank of the Russian Federation and the People's Bank of China which make significant contribution to interbank cooperation, and settlements and payments cooperation between the Russian Federation and the People's Republic of

China.

9. Both sides agree to establish a regular mechanism of China-Russia Tax Administration Cooperation Forum under the China-Russia Expo, aiming to promote sub-national cooperation and contribute to the activities in the year of China-Russia local cooperation and exchange in 2018-2019. This Forum is co-hosted by the national tax authorities and provincial governments, and specifically co-organized by provincial tax bureaus of both side, with the mandate of organizing tax cooperation forum and promoting the publicity of tax affairs in an official manner, enhancing the mutual understanding of the administration of the two countries, in order to serve sub-national cooperation between China and Russia.

10. Both sides welcome the China-Russia Financial Council jointly initiated by Harbin Bank and Sberbank to play a role in providing financial support for China-Russia project cooperation and serving cross-border financial activities.

11. Both sides agree to strength cooperation in financial markets, in particular maintain robust communication in the field of bonds for mutual benefit and trust, and will actively facilitate the access of investors from both sides to each other's bond market. Russia will actively consider the issuance of RMB-denominated bonds in on the Moscow Exchange in accordance with Russian law by the Government of the Russian Federation. China welcomes this development and encourages investors in China to invest in bonds issued by Russian side in line with the existing framework of laws and regulations.

12. Both sides will further promote cooperation between credit rating agencies of the two countries, in terms of credit rating methodology,

information sharing, exchange of expertise, and the development of credit rating products.

13. Both sides agree to strengthen the cooperation and synergy of cross-border disaster prevention and mitigation by unfolding information and technology exchange, joint emergency response and disaster relief assistance, and to explore the viable means to safeguard the financial sustainability for cross-border emergency rescue efforts.

14. Both sides welcome the consensus on the equivalence in substance of Russian and Chinese accounting standards in aspect of bonds issuance, and the Memorandum of Understanding in this regard signed during the dialogue, which will create a sound environment for cross-border bonds issuance between both countries.

15. Both sides welcome the consensus on audit supervision cooperation for cross-border bond issuance and the Memorandum of Understanding in this regard signed during the dialogue. Both sides will enhance cooperation on audit supervision on a basis of mutual reliance, in order to provide institutional setting enabling the cross-border corporate bond insurance from both sides and facilitating the interconnectivity of financial market.

16. Both sides welcome the agreement for strategic cooperation signed by Chinese Academy of Fiscal Sciences and Russian Finance Research Institute, which will promote knowledge and experience sharing on public finance, taxation and budgeting between Chinese and Russian think tanks in fiscal area.

17. Both sides welcome the Memorandum of Understanding signed by the National Center for Public Private Partnership of Russian Federation

and the Public Private Partnerships Center of Ministry of Finance of China, to strengthen exchanges and cooperation, encourage the private sector to participate in infrastructure construction, investment and operation, improve the quality of public services, and promote infrastructure connectivity within the Eurasian Economic Union (EAEU) and the Belt and Road Initiative.

18. Both sides look forward to the 9th China-Russia Financial Dialogue in China.