



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

July 18, 2016

Vice-President Valdis Dombrovskis  
European Commission  
Rue de la Loi 200  
1049 Brussels  
Belgium

Vice-President Dombrovskis:

Thank you for your letter and for the attached paper outlining our understanding with respect to our financial regulatory cooperation.

You rightly observe that, since 2002, the Financial Markets Regulatory Dialogue has acted as a valuable forum between the European Union and the United States to inform each other of regulatory issues of interest and concern. My staff has found the exchange of views with their counterparts at the Directorate-General for Financial Stability, Financial Services, and Capital Markets Union to be constructive and thought provoking, as they have jointly considered how to further improve EU-U.S. cooperation most effectively and feasibly. Further, our understanding reflects extensive consultation with staff at U.S. financial regulatory agencies.

Global financial markets and financial stability should continue to benefit from joint EU-U.S. efforts to promote timely domestic implementation consistent with international financial standards, and to increase the compatibility of our regulatory frameworks. We accept the proposal to enhance the dialogue with the European Commission on the basis described in the "Improvements in EU-U.S. Regulatory Cooperation" paper, and reiterate that we see no link to negotiation of the Trans-Atlantic Trade and Investment Partnership. We concur that this exchange of letters does not create rights or obligations under international or domestic law.

As you note, this understanding should form the basis for more purposeful EU-U.S. regulatory cooperation going forward.

Sincerely,

Jacob J. Lew