

1st UK-China Financial Working Group

JOINT READOUT

1. Both sides welcomed the establishment of the UK-China Financial Working Group (FWG) led by the People's Bank of China (PBOC) and HM Treasury (HMT). The inaugural meeting of the Financial Working Group was held in Beijing on 31 January 2026, co-chaired by PBOC Governor Pan Gongsheng and the Economic Secretary to the Treasury Lucy Rigby KC MP.
2. The meeting convened senior officials from the PBOC, the Ministry of Finance (MOF), the National Financial Regulatory Administration (NFRA), the China Securities Regulatory Commission (CSRC), and the State Administration of Foreign Exchange (SAFE) on the Chinese side, and from HMT, the Bank of England (BoE), the Prudential Regulation Authority (PRA), and the Financial Conduct Authority (FCA) on the UK side.
3. The Financial Working Group was established as a key outcome of the consensus reached by UK Prime Minister Keir Starmer and Chinese President Xi Jinping during the Prime Minister's visit to China from 28-31 January 2026. The Working Group provides a structured and technical channel for substantive exchange on financial policy. It operates under the framework of the UK-China Economic and Financial Dialogue (EFD) and reports directly to UK Chancellor of the Exchequer Rachel Reeves and Chinese Vice Premier He Lifeng.
4. Financial authorities from both sides exchanged views on global macroeconomic developments and financial stability, financial regulation and supervision, market development, and financial sector innovation including on sustainable finance. The discussion produced a range of specific conclusions.
5. Both sides agreed to work towards the signing of a Memorandum of Understanding on cooperation in central counterparty (CCP) supervision between the PBOC and the BoE, as well as continuing all necessary cooperation to support UK equivalence and recognition processes for Chinese CCPs and Chinese processes for UK CCPs.
6. Both sides discussed the importance of global financial stability, supported by robust crisis management structures and resolution frameworks as well as close cooperation between financial authorities in both jurisdictions. To support information sharing and coordination in times of financial stress, as well as to promote operational resilience, HMT and the PBOC agreed to enhance cooperation on crisis management, and on recovery and resolution frameworks.
7. The UK and China acknowledged the importance of addressing counterfeiting of currency and the importance of effective bilateral cooperation in jointly addressing the harm caused by counterfeit currency. In this context, both sides recognise the important role of a robust legal framework, as well as a convenient and efficient mechanism for sharing information on counterfeit currency, amongst other measures, in order to suppress the manufacture and export of counterfeits and associated materials that simulate banknote security features.
8. Both sides reaffirmed their commitment to implementing the Financial Action Task Force (FATF) Standards. Both sides face common challenges posed by fraud and other cross-border criminal activities, and agree to enhance international cooperation in combatting money laundering and related crimes.

9. Both sides reiterated their recognition of the pivotal role that capital markets play in delivering growth in the real economy, through the ability to raise capital and through efficient capital allocation. China notes the UK's recent reforms to enhance and streamline its listings regime, including for international companies. Both sides encourage eligible companies to be listed in each other's market, including via the UK-China Stock Connect, facilitating access to a diverse global investor base and institutional capital, in order to finance international growth and business development. Both sides welcomed HSBC receiving approval to trade China Treasury Bond Futures on the China Financial Futures Exchange.
10. China recognised London's role as a leading global centre of foreign exchange and its position as a leading offshore hub for renminbi (RMB) trading. China recognises that London is one of the largest, most vibrant, and innovative offshore RMB markets, and supports UK-based Chinese financial institutions to develop new RMB-denominated financial products. Both sides welcome Bank of China London Branch becoming the second RMB clearing bank in the UK.
11. Both sides reaffirmed their commitment to explore greater market connectivity, including in the areas of wealth management and pensions. Both sides held in-depth discussions on exploring the feasibility of a UK-China Wealth Connect programme to facilitate two-way investment flows, channel patient capital, and deliver long-term stable returns for investors in both markets.
12. Both sides welcomed the continued progress in bilateral cooperation on green finance. The UK and China recognise the important role that financial markets can play in addressing biodiversity loss and protecting rich natural ecosystems. Both sides agree to strengthen knowledge sharing and capacity building efforts on sustainable finance, including on transition finance, and emerging nature-related financing frameworks.
13. A UK-China industry roundtable was held alongside the Financial Working Group, with participation from regulators and financial institutions from both sides, to discuss financial market development and cooperation, as well as financial sector innovation.
14. Both sides endorsed the UK-China Financial Working Group as a mechanism to support technical regulatory exchange, as well as dialogue on market development, innovation, and financial stability and resilience, and look forward to it meeting on a regular basis.