World Bank Group President Jim Yong Kim Opening Remarks at the Press Conference in Beijing

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Jim Yong Kim
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Thank you for coming to the World Bank Group’s office in Beijing.

I would like to thank the Chinese people and Chinese leaders – especially Premier Li Keqiang - once again for the warm welcome and hospitality they have extended to me. Today, I’ll talk about three subjects – first, the Chinese economy, second, China’s global role in development, and third, health care reform.

China has built the world’s second largest economy and it has undertaken significant reforms aimed at providing all of its citizens with an opportunity to enjoy greater prosperity. While China’s growth has gradually slowed since 2012, signaling what President Xi has called the “new normal,” China remains the largest contributor to world growth since the global financial crisis. Over the last couple of years, roughly 30 percent of global growth came from China alone. Growth in China last year was 7.4 percent and we project about 7 percent growth for 2015 – still the envy of the world.

In light of the stock market fluctuations recently, I’d like to emphasize that we believe China’s economy is strong and its fundamentals are sound. The country’s leaders are moving forward resolutely on their ambitious program of economic and social reforms aimed at transforming China’s growth model toward more efficient, equitable, and environmentally sustainable growth.
We've seen progress in several reforms, including lower credit growth, better regulation of shadow banking, and better management of local government borrowing. **These reforms hold the key to China’s continued economic success.**

On my second point, China is a **global leader in development** – lifting more than **600 million people** out of poverty in the last 25 years, more than the rest of the world combined during that time.

Today, there’s no question that China is increasing its role in development around the world. I can report on two examples just yesterday. First, China established a **$50 million dollar trust fund** with the World Bank to finance efforts to fight poverty. And second, I met with the leadership team at the AIIB Multilateral Interim Secretariat, and we discussed expanding our collaboration. I would particularly like to recognize Secretary General Jin Liqun for his strong leadership in moving swiftly to get the AIIB started.

More funding for infrastructure will ultimately help the poor, and we are pleased to be working with China and others to support the AIIB as it becomes operational. We agreed with Secretary General Jin Liqun and the interim secretariat to explore co-financing options in the coming months. We plan to hold a meeting later this year in Washington, D.C., to talk about specific projects in which we would be co-investors. We regularly enter into such arrangements with multilateral development banks because it broadens the pool of financing available for a range of infrastructure projects -- bridges, water treatment plants, roads, and telecommunications, to name just a few.

The AIIB is an important new partner that shares a common goal with the World Bank Group: to end extreme poverty by 2030. With strong environment, labor and procurement standards, the AIIB will join us and other development banks in addressing huge infrastructure needs that are critical to ending poverty, reducing inequality, and boosting shared prosperity.

And third, I had very good discussions with Premier Li Keqiang and Finance Minister Lou Jiwei about our health care reform study with the government and the World Health Organization. China, like all countries in the world, face major challenges in health care. But I came away from my meetings yesterday convinced that the leadership is fully committed to health care reform. All of us understand that a better functioning, more efficient health
care system will lead to a healthier population, boost economic growth and become an engine for job creation.

I’m happy now to take your questions.