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Press Conference with World Bank Group President Jim Yong Kim

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World Bank President Jim Yong Kim
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Transcript

John Donnelly: Good afternoon everyone. My name is John Donnelly. I'm the Communications Advisor at the Office of the President of the World Bank. I'd like just to run through a couple of ground rules for the press conference and then we can begin. First of all President Kim unfortunately is starting to lose his voice a little bit. So we will hope for the best but he's ready to go.

Secondly, we will have consecutive translation. After questions are answered, we will then translate and we'll go from that. When you do ask a question please identify yourself and your affiliation and since we don’t have mics in the room, speak up. Since we want to get as many questions in as possible, please limit yourself to one question.

With that, President Kim will start with a statement.

Jim Yong Kim: I've always been very proud of South Korea's accomplishments. I was only a five year old child when my family moved to the United States. The Korea that I see today, and the enormous accomplishments, have really taken place over less than half a century. This country truly deserves its place as one of the world's great development success stories.

Korea stands as testimony that development assistance can help bring real change and investing in people delivers dividends. As many of you know, the World Bank played a role

in Korea's development effort, with advice, analysis and funding evolving over the years to meet the country's changing needs. I have been told the World Bank has also learned a great deal from Korea. Just to name one area, planning and investment for scientific and technical excellence in the education sector.

So it's even more fitting that today we're seeing two new initiatives, which will see the World Bank Group deepen its partnership with Korea and sharing its development expertise to help in the quest for sustainable development solutions for emerging markets around the globe.

This morning, with the Minister of Strategy and Finance, Minister Bahk Jaewan, I signed a memorandum of understanding which will see the World Bank Group open an office in Seoul. This is about being more proactive and working together to bring innovative public and private sector solutions as well as resources to the developing world.

Korea's lessons of experience in finance, governance, as well as information and communication technologies, knowledge and green growth, how to be inclusive, not intrusive on the environment, will be the key areas of focus of the new office to help countries tackle the challenges.

We all know the best path out of poverty is a job. The new office will also be staffed by representatives from our private sector arm, the International Finance Corporation, or IFC and the Multilateral Investment Guarantee Agency, or MIGA, which provides political risk insurance to promote foreign direct investment in developing countries.

Private sector investment in emerging markets is a win-win for Korea and the world. The World Bank Group looks forward to partnering with Korean companies to help them tap in to remarkable opportunities in emerging markets.

Today we're also announcing a new $90 million donation from the government of Korea that aims to bring innovative solutions and resources to developing countries in East Asia and beyond. Korea's history has shown us that investing in education pays off. The new fund will build on Korea's development expertise not only in education but also in infrastructure. It's yet another sign of Korea's willingness to share the fruits of its own success.

So today I also want to thank the people of Korea for the support they've given to the World Bank. Korea has been a valued contributor to our fund for the world's poorest countries, IDA, or the International Development Association. It's the very fund that once helped

Korea. This country's willingness to give back truly makes a difference in putting food on people's tables, girls in classrooms and ensuring farmers have the roads and bridges they need to get their goods to market. With that I'm happy to take your questions.

John Donnelly: Thank you, so we'll take questions now. We do actually have a microphone. Please remember to identify yourself and your affiliation. First question?

Female: I'm [ ] from Bloomberg. Welcome to Korea. Would you please tell us your personal memory of the 1997 financial crisis hitting Korea hard and how does Korea now compare with 15 years ago? What are the driving forces behind the success and crisis recovery and lessons for other countries especially in this time of global financial crisis? Thank you.

Jim Yong Kim: Thank you for that question. There are two things that I remember very clearly from the crisis. The first was that jobs are really important for people. So there were instances where men would leave the house in a suit and tie and go and sit in the park all day because they just couldn't tell their family that they'd lost their job. What that teaches us is something that's common to every country, every person in the world and it's the subject of our World Development Report this year, 2013, which we launched just before the annual meetings. Jobs are not just about income, jobs are about dignity. Moreover, jobs are about social cohesion. So that had a very deep impact on the Korean people.

The other thing that I remember so clearly is that because of the balance of payments problem, people came and took their jewellery off and contributed to the cause. There was some $1 billion raised. So what are the two lessons I've learned? One of the most important things - and we're seeing it everywhere - to get out of this crisis is to tackle it quickly, tackle it early. Then to have the kind of solidarity that the Korean people showed by actually donating their own jewellery. Of course, the other lesson is everybody wants a job. We must do what it takes to restore confidence, restore growth so that we can get the private sector moving again and create those jobs that everybody wants.

John Donnelly: Okay, next question. Please keep to one question so more people can ask questions. Okay, there.

Female: Hello, my name is [ ] from Arirang TV. As you know, aid to North Korea from the South Korean Government has been halted for a couple of years now. I am curious about

your take on South Korea providing humanitarian aid to North Korea. Do you think it should be a priority for the South Korean Government to help the North?

Jim Yong Kim: First let me say that I don't comment on the political relationships between individual governments. I would also just say that many of us have heard the stories. There are enormous needs in North Korea. There are people who need help. North Korea is not a member of the World Bank Group but we, along with everyone else, look on with great concern as we hear about the humanitarian crises in North Korea. I hope that political difficulties can be resolved so that not only South Korea, but the global community can help if possible.

Female: Hello, [ ] from the Associated Press. My question is also about North Korea news reports that the World Bank will be willing to provide aid if requested by North Korea and I was wondering if that's true? Also if you could share any prerequisite for the World Bank to provide aid to North Korea - such as if regime change is a necessary prerequisite. Would you please share that? Just adding one more question to that, would any of the new initiatives announced today, such as the $90 million be used to help North Korea?

Jim Yong Kim: So let me start by saying that I'm asked about North Korea a lot. The reason, I think, is partly because my father was a refugee from North Korea at the age of 17. He left there from what's now called Nampo - he always referred to it as Chinampo. He came down and never saw any of his family members again. So as far as I know I have family in North Korea. Not only as a Korean but just as a human being, in seeing some of the stories of need up there, I'm very moved personally.

But let me make a couple of things clear; North Korea is not a member of the World Bank Group. So the funds that were started today are for our member countries, and North Korea is not a member country. What I would say is that it would be very complicated for us to be working in North Korea. But that doesn't take away from my own personal sense of this tragedy that's happening out there and also that I think that as we all do, I would really like to see some kind of an opening so that we can begin a dialogue and that more aid could go to North Korea. But this is a very complicated political situation and because they're not a member country there's really not much we can do at the moment.

John Donnelly: Next question.

Female: Yes, I'd like to ask a question regarding your recent visit to Japan, for the IMF and WB Annual Meeting. There was mention in press reports that you referred to the Japanese emperor as Your Royal Highness and also another member referred to him as His Imperial Highness and it brought up feelings of imperialism to some extent. I'd like to ask you if there was a certain reason behind your use of that title?

Jim Yong Kim: No, to be quite direct I simply misspoke. His official title is His Imperial Highness. Let me just say that I am deeply grateful to His Imperial Highness the Crown Prince for coming and participating in the meeting. I'm also deeply grateful to the Japanese Government for hosting, what was in my view, an outstanding meeting. They also took us to Sendai, where the tsunami - the earthquake and tsunami hit very hard. I have great admiration for the Japanese Government and the Japanese people for committing in the context of their tragedy - in the face of an enormous tragedy - their commitment and the commitment they made at this meeting was to help every other country, especially poor countries, deal with the management of disasters.

So I simply misspoke and I'm very grateful to the Japanese for hosting a wonderful meeting.

John Donnelly: Next question. Okay, over here.

Male: Hi, I am [ ] from Korea Times and I've got a question about climate change. You emphasised climate change in the IMF World Bank meetings. So how do you suggest Korea, or other countries help the fight against climate change? You mentioned about Sendai and there is still some dispute about nuclear power plants?

Jim Yong Kim: Thank you for your question. I am trained in science and I've been spending a lot of time looking at the data on climate change. What we know is that in the scientific community, there is absolutely overwhelming agreement that manmade climate change is real. This wasn't as true even a year ago. But I think now there's really no question. Ninety-seven per cent of climate scientists agree and that's an overwhelming majority. The scenarios for what's going to happen as the temperature of the Earth rises are quite frightening.

I have a three year old son and one of the things that become clear is that unless we take rapid action now, the world that he will grow up in - when he's my age the world will look completely different than it does right now. We will have lost all the fisheries, [they] would

have been completely upended. The amount of land that is available for growing food will be shrunk. So many things would happen that we have to take action now. I'm very encouraged by what Korea has been doing. I have been meeting with members today. The green growth commitment in Korea is very impressive. So I think that Korea is looking to take a leadership role in the fight against climate change. I think that's extremely admirable.

On the question of nuclear power, the World Bank does not provide support for nuclear power. Our focus is on sustainable energy. Energy is always a difficult concept because we have to constantly be balancing between immediate energy needs and our deep, deep concern for climate change. We continue to have to balance those issues but we just launched, along with Secretary-General Ban Ki-moon, at the UN General Assembly, an initiative called Sustainable Energy for All. That title really signals what our concerns are. People need energy to have economic growth. On the other hand we've really got to make every effort to ensure that it's sustainable energy.

John Donnelly: Okay, in the hopes of preserving President Kim's voice, I think we'll limit it to one more question. In the back there. Thanks.

Male: Regarding the upcoming World Bank Group office in Korea, I heard that the Korean Government wants Songdo in Incheon to house the new office and Korea is trying to build Songdo into a new financial hub here in Korea. Regarding that I'd like to hear your comments and views.

Jim Yong Kim: Yes, I learned today about the hub in Songdo from the Mayor of Incheon. I would just say that we're in the middle of discussions about where the office is going to be and that there have been no decisions made yet.

John Donnelly: Okay, with that many, many thanks for coming to the press conference. It's now coming to a close.