World Bank Group President
Jim Yong Kim's Opening Remarks to Beijing Press Conference

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Jim Yong Kim
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Thank you all for coming, and let me begin by thanking the Chinese people for the warm welcome they have given me.

As many of you know, at the World Bank Group we are passionate about ending poverty and building shared prosperity – so it’s good to be back in China, where we share a strong commitment to these goals.

For the World Bank Group, this trip marked a deepening of our relationship with the government of China on issues that ranged from urbanization to climate change to investment in Africa. I had very productive meetings with Premier Li Keqiang, Finance Minister Lou Jiwei, and several other senior officials in the government.

The Chinese government has shown an important commitment to reforms to make growth sustainable and improve the quality of life for its people.

We support China’s efforts to rebalance growth toward consumption and services – and move toward reforms of its fiscal policy, financial oversight, land rights, and social programs to achieve quality growth that reaches more people.

My focus on this trip has been on two key areas that pose both opportunities and challenges for China – the environment and urbanization.
China is well aware that its rapid urbanization and rapid economic growth has come at a cost, even as that growth has lifted hundreds of millions of people out of poverty.

So I am pleased we are expanding our collaboration on climate change in a number of areas, including: finding better solutions for clean cities, as we are doing in Shanghai; improving the efficiency of wind farms; helping farmers in southwestern China with climate-smart agriculture; and developing and promoting carbon markets to encourage emissions reductions.

At the moment, half of the Bank’s 125 active projects in China help combat climate change, with lending at $5.3 billion. Every dollar loaned leverages almost $7 - totaling $36 billion from governments, private sector and other sources to deal with climate change.

In China, IFC, our private sector arm, committed a record $347 million to climate-related projects last year alone. That was one-third of IFC’s overall $1 billion of commitment in China.

China’s cities have been growing at breakneck speed. By 2030, some 65 to 70 percent of China’s population will be in cities. That’s 1 billion people who will need good jobs, and expect better services.

China now needs to find new ways to make cities more energy efficient, promote clean energy, and reduce traffic congestion and air pollution. If China breathes easier, the world will breathe easier, too.

As part of the ongoing work on a joint study on urbanization with China’s Development Research Center of the State Council, we have been re-thinking the concept of cities. We should not think of cities as just urban sprawls, but instead should make them work for people. Efficient cities will boost growth. Some of our priorities are building dense cities that keep people living close to where they work, with better transport systems. Another important issue is protecting farmers’ rights to land, and sharing the benefits of land development in a more equitable way.

We also will work with local governments to help them manage their resources better.

Governments will need to broaden their sources of revenue so that they are not too dependent on land sales.
As we said in an earlier report produced with the DRC – China 2030 – we support phased reform of the household registration system, or hukou, giving migrants affordable access to urban services. This will help raise incomes of the poor and boost consumption, which is good for the economy. Over the long term, the health and vitality of China’s rapidly growing urban areas will be critical to economic growth and promote less resource-intensive growth. That’s good for China – and the world.

Thank you. I’m happy to take your questions.