



# THE WORLD BANK

---

**As Prepared for Delivery**  
**Remarks of World Bank Managing Director Sri Mulyani Indrawati**  
**APEC CEO Summit**  
**November 12, 2011**

- We commend the leadership of APEC and the United States, as well as the commitment of the private sector to the critical issue of food safety. This topic is gaining importance for the World Bank and for its client economies in the Asia and Pacific Region.
- As economies transform from agriculture-based to urbanized economies, the need for improved food safety, standards, market integration, improved international trade, and market integration business models is clear. And we can see that the demand for high-value primary and processed products is rapidly increasing, driven by rising incomes and faster urbanization.
- Globalization has opened new market opportunities for farmers and agribusiness entrepreneurs. New markets demand quality, timely deliveries, and economies of scale. More widespread movement of food and livestock around the world requires vigilance on food safety and disease risk. More exacting standards pose challenges to poor farmers competing in these growing markets.
- While agricultural growth has proven to be, on average, two to four times as effective in raising incomes of the poor as growth generated in non-agricultural sectors, preserving and enhancing this impact will require concerted effort. Integrating smallholder farmers into these new markets is particularly important in Latin America and Asia.
- In East Asia and the Pacific, economic transformation is driving resources--labor, land, water, food, and public budgets--to urban areas. Agriculture needs to facilitate this transformation, while still providing food security, poverty reduction, and environmental services.
- Global partnerships are critical to making progress the food safety agenda. APEC is an excellent example of economies coming together to work on this issue.
- In the past ten years, the Bank's efforts have mainly focused on analytical work primarily through diagnostic trade integration studies with the WTO and capacity building activities to enhance compliance with Sanitary and Phytosanitary Standards.
- As just one example of our work in this area, the Bank will lend \$100 million over five years to the Jilin Province in China--the largest Bank food safety project to date. The project will improve and strengthen Jilin's regulatory system, policy and program development, training, and laboratory and monitoring capacity.
- We believe that the proposed Food Safety trust fund has enormous potential to advance collaboration on this important global issue, and we are looking forward to this shared endeavor. We are pleased that the World Bank can provide support through knowledge sharing because – as we well know – a food safety crisis that originates in one region can so rapidly become a crisis in others.