

Delegation of the Republic of Indonesia
Draft Intervention
The Industrial Development Board, 50th Session, UNIDO
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12. Inclusive and sustainable development in middle-income countries

- Indonesia commends the Secretariat for preparing an updated workplan for the implementation of the Strategic Framework for Partnering with MICs.
- We acknowledge UNIDO's initiatives to assist MICs, among others through the Global Industrial Policy Advice Facility. We wish the implementation of such programs to be expanded to more countries.
- Indonesia and other MICs have been undergoing incredible industrialization and manufacturing development in the past decades. Having said that, most, if not all, of MICs are in the middle-income trap situation.
- To overcome middle-income trap, we should transform the established pattern of industrial development.
- Indonesia is of the view that it is pivotal to pursue industrial policies which aim to diversify and upgrade export composition, increase labor productivity, and strengthen competitiveness. These policies should focus on enhancing the capacity of human resources, investing in infrastructure, and advancing digital transformation.
- Indonesia particularly underscores the importance of advancing cooperation on digital transformation, consistent with one of Indonesia's G20 priority areas, which is digital transformation.
- The adoption of digital technologies across all industries has wide ranging implications for the scope, scale, speed and pattern of production, trade and investment to help MICs pursue steady transition towards high-income status.
- UNIDO has excellently implemented some projects on digital transformation. Now, it is time to mainstream and integrate digital transformation and innovation to the updated workplan of the Strategic Framework.