

**INTERVENTION AND NATIONAL STATEMENTS - REPUBLIC OF INDONESIA
AT THE 51st SESSION OF THE INDUSTRIAL DEVELOPMENT BOARD (IDB), UNIDO**

Climate neutral industry and circular economy (Item 10)

1. Indonesia align ourselves with statements on behalf of the G-77 and China and would like to add several remarks in its national capacity.
2. Indonesia commends UNIDO for developing the draft UNIDO Strategy in Response to Climate Change and for convening consultative process through some dialogue sessions earlier this year.
3. Indonesia positively considers the draft Strategy which has been circulated to Member States. We particularly endorse scope and operational principles of the draft Strategy which put a strong emphasize on enhancing industrial capacity of developing countries in line with their right to development.
4. Forms of activities, such as (i) facilitating technology transfer, (ii) mainstreaming climate adaptation in industrial development, and (iii) boosting the use of renewable energies, are particularly fundamental to improve the role of industry in addressing climate change as well as enhancing the integration of developing countries to global value chains of environmentally friendly products and services.
5. Indonesia also endorses UNIDO's intention to coordinate and leverage climate finance opportunities. Indeed, one important obstacle for developing countries to pursue climate-resilient development is the lack of sufficient financial condition for a swift energy transition and a rapid development and deployment of clean energy technologies.
7. In that regard, at our national level, Indonesia actively seeks innovative ways to foster financial situation for supporting our ambition towards a low-carbon economy, among others by launching the Energy Transition Mechanism (ETM) Country Platform, a financing mechanism which intends to become a tool to pool investment from public and private sectors to accelerate energy transition.
8. To strengthen our collective efforts to respond to climate change, Indonesia proposes to add collaboration and partnership between UNIDO and regional organizations into the UNIDO Climate Change Strategy.
9. Cooperation with regional organizations is important, to scale up resources and identify areas of cooperation which would fit best to region's needs and capacity. Indonesia believes that more intensive consultations are needed, so that Member States could exchange views and find more solid common grounds on the draft Strategy, with the intention to adopt it in the upcoming Twentieth Session of the General Conference in the end of this year.
11. With regard to circular economy, Indonesia extends an appreciation to the UNIDO Secretariat for convening a series of global and regional consultations on circular economy. Indonesia progressively develops a circular economy strategy and carries out some strategic

policies for the transition to a circular economy in relation to sustainable consumption and production.

13. We realize that, as developing countries have now been the center of production and been on the way towards driving the global consumption, it is important to constructively encourage the adoption of circular economy practice in developing countries.

14. However, developing countries often face challenges to implement circular economy policies, including varying degrees of institutional capacity and lack of investment in recycling and reusing used materials and products.

15. In that regard, Indonesia would like to extend sincere gratitude to UNIDO for supporting circular economy efforts in Indonesia, particularly through the Global Eco-Industrial Parks Programme.

16. Indonesia calls UNIDO to enhance its assistance to Member States in creating enabling environment for circular economy investment, especially with regard to: - Enhancing the participation and contribution of MSMEs; - Facilitating greater global cooperation on common rules and standards for global circular value chains; and - Exploring policy options to mitigate trade-offs which may arise between different sectors and along supply chains.

17. Indonesia believes that the shift toward the circular economy and more sustainable growth and sustainable consumption patterns will be successful, if there are strong global partnerships and collaboration, especially on enabling factors, such as technology, finance, and human resources.