

Statement of the Republic of Indonesia

**At the 40th Session of Industrial Development Board (IDB)
United Nations Industrial Development Organization (UNIDO)**

Vienna, Austria, 20-22 November 2012

**Delivered by H.E. Rachmat Budiman
Ambassador/Permanent Representative of the Republic of Indonesia**

Mr. President,

Let me begin by congratulating you on your election. I am fully confident that under your able leadership, our meeting and deliberations will bear fruitful results. I should also like to congratulate your bureau members on their appointment. I assure you and the bureau members of my delegation's full cooperation and support. I would also like to use this opportunity to thank the Secretariat for the preparations for this session of the IDB.

Indonesia associate's itself with the statements made by the Group of 77 and China, as well as the Asian Group.

Mr. President,

This IDB session is crucial, as we undertake to discuss the programmes and activities of the Organization for the coming period, as well as to seek ways to provide sufficient resources for their implementation. Indonesian delegation expresses its high appreciation for the preparation of the Annual Report of the Director General for 2011 and the Programme and Budget Committee's Report of its 28th Session in June 2012, which provides a good basis for our deliberations and our work at this session.

The Report rightly highlights the various challenges that need to be addressed collectively and effectively by the international community. There are impacts of the multiple crises of finance, food, energy and climate change. There is a huge and critical demand for quick responses to the challenges we are facing. Among these challenges is the need to create growth for prosperity on the one side and to ensure peace and sustainability on the other.

We have acknowledged some proactive approaches taken by UNIDO in tackling these challenges, under its three thematic priorities, namely poverty reduction through productive activities, trade capacity building and energy and

environment. We have seen encouraging developments in various areas, which enables UNIDO to design and implement more projects and programmes, contributing to the global developments objectives. These positive measures are imperative and should be carried on continuously.

In this regard, Indonesia will continue to support UNIDO's initiative to establish a new Programme for Change and Organizational Renewal in order to strengthen the Organization's strategic response capacity and quality of service to its member countries. My delegation also expresses its highest appreciation for the establishment of UNIDO's Trust Funds for technical cooperation activities in the area of food security and renewable energy. We strongly believe that under these two activities, UNIDO will continue to play a key role, as a catalyst for sustainable development, and will enable the Organization's effort to provide such important and direct contributions to addressing the food and energy issues while also contributing directly to the overall poverty reduction.

Indonesia would also like to convey its gratitude to the States that have contributed to the regular budget of UNIDO in full and on time. For its part, Indonesia has been supportive of the UNIDO activities, and has consistently paid its annual contribution to the regular budget, and will continue to do so in the future.

Mr. President,

Indonesia has observed that UNIDO's works and programmes in the promotion of sustainable industrial development and international industrial cooperation, in particular in the developing countries, have gained its currency in the face of global financial and economic crisis. In this respect, UNIDO's vital role in providing technical assistance to developing countries cannot be overstated.

My delegation would like to express its appreciation on the continued growth in UNIDO technical cooperation delivery, and are pleased to note that the significant increase on the figure of actual volume of project services delivered in 2011 compared to the previous year. This positive trend is part of the various sources of funding received from the governments through various channels. In this connection, we would like to thank donors for continuously supporting the technical cooperation project and programme. We encourage UNIDO to find ways and means to solve major challenge faced on the ability of UNIDO to provide or mobilize the cost-sharing required by its various donors and programmes.

Mr. President,

While expressing Indonesia's gratitude for the positive contribution that UNIDO has made to promote the advancement of the industrial sector in the developing countries, Indonesia is of the view that UNIDO should strengthen its comprehensive work on its three thematic priorities. In that context, UNIDO should help developing countries sharpen their research and development priorities which are oriented towards private sector and society demand; in enhancing science and technology capacity and capability by strengthening science and technology institutions, resources and networks at the national level; and in creating an innovative climate in terms of providing the right incentive schemes to foster and strengthen the industrial structure.

Allow me to take this opportunity, Mr. President, to convey that my delegation is of the view that on the issue of appointing the Director-General for the next period, consideration of geographical rotation should be taken into account, as is the practice in other organizations within the UN system.

Finally, Mr. President, I would like to reiterate Indonesia's commitment to work closely with UNIDO and its member states to promote and accelerate sustainable industrial development, particularly in developing countries. Let me assure you of Indonesia's full support and constructive engagement for the duration of this session.

Thank you.