

STATEMENT BY THE INDONESIAN DELEGATION ON INTERLINKAGES

Friday, 9 May 2008, 10.00-13.00, Conference Room 2

Madame Chairperson,

First of all, I would like to thank the panelists for their excellent presentations. I would also like to associate myself with statements made by the distinguished representative of Antigua and Barbuda on behalf of the Group 77 and China.

Madame Chairperson,

I would like to share Indonesia's experience on the development of its Indonesian Sustainable Development Strategy (ISDS). Although not officially published yet, the ISDS has succeeded in identifying three thematic issues of highest priority that are interlinked to each other, namely, forest protection, water conservation, and energy.

Forest protection is very much related to water conservation, while in its turn, forest and water conservation is related to agriculture, prevention of land degradation, rural development, and prevention of drought, thus very much related to provision of socio economic activities at rural areas, including poverty alleviation.

With the ever increasing world price of oil, Indonesia, as a net importer of oil is not sterile to the impact of the rising oil price. At present, the increase of oil price has caused pressure to the national budget, with the likely possibility of raising the price of fuel at domestic level. The raise of price of fuel will likely raise cost of transportation, inducing an increase of inflation, lowering the purchasing power, and eventually increase of poverty rate. On the other hand, while causing negative socio-economic impacts, the raise of fuel price, through gradual removal of subsidy, will improve the competitiveness of other source of energies, particularly renewable ones. Renewable energy development will contribute to the reduction of potential increase of greenhouse gases, complementary to the contribution of forest protection in carbon sink.

We therefore support the view of the panelist, Madame Nadine Gouzée, for the view that the National Sustainable Development Strategy (NSDS) be a continuous process with continuous improvement, in line with the ever changing socio-economic conditions, both at international and national level. NSDS should also serve as a comprehensive view of the implementation of sustainable development in a country, involving multi-stakeholders participation.

I thank you Madame Chairperson.