

**Statement by the Troika of Indonesia, China, Kazakhstan  
on Focus Area 9: Industrialization and  
Promoting Equity among nations  
and  
Focus Area 10: Sustainable Cities and Human Settlements**

**at the 11th Meeting of the Open Working Group of  
Sustainable Development Goals  
New York, 5-9 May 2014**

Mr. Co-Chair,

I have the honour to speak on behalf of the troika consisting of China, Indonesia and Kazakhstan. I would also like to align our statement with the statement by Bolivia on behalf of the G77 and China.

With regard to **focus area 9** (“Industrialization and Promoting Equity among nations”), we are of the view that industrialization is the key function for productivity, growth and job creation. We support industrialization as **a stand-alone goal** of the SDGs.

With regard to targets, we can obviously see the lack of balance in the targets under this focus area. There are more environment dimension related targets than development dimensions, and we need to balance them.

We are also concerned about how we address the **issue of inequality**, particularly between countries. The title has kept the wording “promoting equality”, however, the content of the FA does not really reflect the title.

We are of the view that merging promoting equality with industrialization has neglected the importance of inequality as a cross-cutting issue. While the issue is merged with industrialization as one focus area, we observed that it has lacked in balance

between industrialization and equality targets. It is obvious that inequality issues have not been properly addressed.

One important target that has been missing is infrastructure development, which is crucial, particularly in developing countries. We need to have a target on infrastructure development as it is an integral part of the industrialization process and an important issue for developing countries. This will also be important for addressing inequality between countries. Therefore, we would like to see a target on industrialization related infrastructure development under this focus area.

Our Troika is of the view that **adequate policy space** that is reiterated in **item 9.a** is indeed crucial to allow developing countries to make use of policy measures and tools that have successfully been used for industrial development by presently developed countries and some developing countries that have been successful. However, we propose to delete reference to “**and a conducive policy environment**” in this item.

Another target that is also important is the term “**industrial diversification**”, which is reflected on **paragraph 9.d.**, although it has been less ambitious than we want it to be.

About **9.e**, we propose to **delete** it since the proposed targets is against the principle of CBDR and placing the whole obligations to developing countries without clarity on the supports and means of implementation.

**Target in item 9.f is also to be deleted.** Besides being against the principle of CBDR, we are also of the view that there is no multilaterally agreed definition of environmentally sustainable products and services, neither is there is a consensus on WTO on environmental goods. It is also against the WTO non-discrimination rules on similar products.

We also believe **item 9.g** is more adequate to be placed as means of implementation than targets as they speak about technological capabilities.

**Item 9.g** should read: “By 2020 implement plans and measures to strengthen the technological capabilities of industrial sectors and **in developing countries, including plans to** – accelerate development, **transfer** and adoption of environmentally sound industrial technologies and processes **including cleaner fossil fuel technologies**.”

We would also consider the importance of ensuring the support for technology development and capabilities are the most important elements to be further promoted.

In this regard we are proposing some possible elements under this FA, which are:

- **“Developing countries to climb to the next stage of economic development by 2030”;**
- **“Achieve sustained industrial development in developing countries especially low income countries, by raising the share of manufacturing and upgrading industrial technology and capability.”**
- **“Increase economic diversification in developing countries including by adding value to raw materials and commodities through domestic processing and manufacturing”**
- **“Promote endogenous technology development and the growth of domestic innovation in developing countries.”**
- **“Ensuring adequate and favorable market access for industrial products and processed commodities of developing countries”;**
- **“Ensuring that the outcomes of research and development and knowledge creation are accessible to developing countries”;**
- **“Ensuring favourable market access for industrial products and processed commodities of developing countries in particular countries in special situations”;**

- **“Establish measures at global level to reduce inequality among countries”.**

**Item 9.h should read “by 2030 retrofit x% of existing industries on a global level based on energy and resource-efficient technologies and environmentally sound industrial processes, with developed countries taking the lead.”**

We are of the view that the term “industrial diversity” is too narrow and fails to properly capture the points reiterated by developing countries that they aim to diversify their economy and not only the industry sector. In this regard, we would like to propose the term **“economic diversification towards industrialisation”** in order to correctly reflect this aim.

**Mr. Co-Chair,**

Our Troika would like to propose some additional targets under this focus area, which are as follows:

- **“Developing countries to climb to the next stage of economic development by 2030”**
- **“Increase economic diversification in developing countries including by adding value to raw materials and commodities through domestic processing and manufacturing”**
- **“Achieve sustained industrial development in developing countries especially low income countries by raising the share of manufacturing and upgrading industrial technology and capability”**
- **“Ensuring favourable market access for industrial products and processed commodities of developing countries in particular countries in special situations”**
- **“Establish measures at global level to reduce inequality among countries”**

- **Support developing countries integrate into the global value chain, increase employment opportunities, achieve industrial upgrading and successfully avoid the middle-income trap.**

With regard to **means of implementation** (MoI), we would like to propose the following:

- **Ensure that international trade rules and regulations are consistent with the objectives of industrial development and technological progress in developing countries in particular countries in special situations in order to ensure equality of economic opportunities for all;**
- **Strengthen international cooperation, including the provision of financial resources, capacity-building and technology transfer to developing countries in particular countries in special situations” in support of developing countries’ industrial development objectives;**
- **Developing countries to be provided with international financing, technology and capacity building to enable them to develop their infrastructure**

#### **Focus area 10: Sustainable Cities and human settlements**

We are of the view that **focus area 10 on sustainable cities and human settlements** need to reflect general objectives of human settlement that are to improve the social, economic and environmental quality of human settlements and the living and working environments of all people, in particular the urban and rural poor.

We are of the view that urbanization is an important avenue through which socio-economic development is promoted and people’s livelihood improved. Urbanization is the path to sustainable cities. Urbanization is an important basis and linkage in integrating the urban and rural areas.

We are of the view that there seemed to be an over-emphasis on ‘Cities’ in targets under this goal. It would be better to keep a broad and inclusive approach, so as not to neglect rural areas.

**On item 10.a., we propose that the sentence stop after “..services for all” and to delete the words “slum-like conditions everywhere”. We think this sentence is rather redundant because the purpose has been covered by the first sentence.**

**On item 10.b., we are of the view that access to safe, affordable, accessible and sustainable transport need to include public transport, therefore we propose to add the reference to “expand public transport” to item 10.b.**

**On item 10.c., we proposes revision, so the text would read as follows:**

**“Enhance capacities of developing countries for integrated ~~urban~~ human settlement planning and management”**

**On item 10.d. we are not sure having the concept of ecological footprints as a qualifier. We do not think that the concept is implementable in the context of OWG on SDGs. We would rather have this paragraph deleted.**

**On item 10.e., we propose to replace the word “cities” with “rural and urban areas”**

We also propose to include the DRR targets from Focus Area 1 (item 1.d with revision) and Focus Area 6 (6.h also with revision) to this Focus Area, so the targets are :

**1.d: “build resilience of the poor and reduce deaths and economic losses related to natural disasters”**

**6.h: “decrease mortality and serious injuries, and decrease economic losses caused by water-related disasters, by 2030”**

**For item 10h, we propose to add after the present text “improve the management ability of the employees in heritage related institutions”.**

Considering how important the sector of infrastructure is in supporting or becoming the means to ensure further development, we would like to propose **means of implementation** as follows:

- **Provide developing countries with enhanced international financing to enable them to promote sustainable human settlements**
- **Support the development and improve the provision in particular in developing countries of reliable and sustainable transport, including road and rail links, ports, air and trade routes, financial services and ICT connectivity**
- **Assist developing countries in enhancing their capacities and ensure affordable access to related know-how, science, technologies and innovations.**

I thank you Mr. Co-Chair.

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