

In Front of International Deposit Insurance Corporations, IDIC Encouraged Green Economy in Deposit Insurance

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LPS-Bali. Indonesia Deposit Insurance Corporation or Lembaga Penjamin Simpanan (LPS IDIC) was held today in Bali, November 8th 2022 as part of Indonesia's G20 Presidency.

The forum that drew together deposit insurers all around the world, regardless of their membership status of International Deposit Insurers (IADI) is the first one that raised the theme of Climate Change, Decarbonization, Sustainability, and Green Economy" in deposit insurance program and its connection to a country's economic growth.

"This seminar is part of Indonesia's G20 Presidency and aims to encourage all deposit insurers around the world, regardless of your status as a member of IADI or not, to make concrete actions against climate change and promote sustainable and green economy," stated IDIC's Head of Commissioners, Purbaya Yudhi Sadewa in his opening speech during the event.

According to his observations, the earth's climate has changed dramatically, there are many more disasters related to weather, climate, and water that happened in the past few years. The World Bank notes that the impacts of climate change, which include floods, droughts, shifts in rainfall patterns, and rising temperature, can cost a country between 2.5%-7% of the country's GDP.

"Accordingly, we simply could not afford to abandon the climate emergency, and it is up to us, to lead the way to protect our Earth to prevent greater climate crisis. Even if it is only one small action, it will make a big difference to mitigate the climate change. believe that we still have a hope for a better planet especially for our next generations. For that reason, we need to take immediate actions together, especially deposit insurers," he said.

Meanwhile, Indonesia's Coordinating Minister of Maritime and Investment Luhut Binsar Panjaitan who became one of the main speakers of the forum stated that Indonesia's growth

brings another challenge with its social and environmental impacts, including pollution, degradation, forest deforestation, and income inequality.

"Indonesia also is in the middle of another crisis: climate change with severe impact on physical environment, ecosystem, and human population. As the biggest island nation with lowlands and numerous small islands, Indonesia as a country is very susceptible to a climate change's negative impacts," he continued.

Because of that, the Coordinating Minister conveys his appreciation to IDIS for holding such forum, as he thinks that Indonesia still need to perform economic transformation by promoting sustainable development, especially in relation to the deposit insurance program which is closely related to national financial and banking stability.

This international seminar was also attended by New Zealand's Prime Minister for the 1999 - 2008 period Helen Clarke and also delegates from 25 countries in Asia, Europe, and Africa such as Sweden, Georgia, Albania, Japan, South Korea, and Ghana.

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