

ECONOMIC COMMISSION FOR EUROPE

EXECUTIVE COMMITTEE

Remote informal
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of the Executive Committee
Geneva, 20 May 2020

Item 12

Informal Document No. **2020/30**

Extrabudgetary project

**Strengthening the capacity of CIS countries
to promote innovation for sustainable development in the context
of the digital economy and Industry 4.0**

**UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE
TECHNICAL COOPERATION PROJECT FORM**

Project title: Strengthening the capacity of CIS countries to promote innovation for sustainable development in the context of the digital economy and Industry 4.0		
Expected timing/ duration: June 2020 – April 2022		
Objective and brief summary of the project: The objective of the project is to strengthen the capacity of CIS countries to assess and reform policies and institutions to enhance the potential of innovation for sustainable development in the context of the digital economy and Industry 4.0. In order to achieve 2030 Agenda for Sustainable Development, CIS countries have to continue to modernize their economies, to raise productivity and to diversify into activities and sectors with higher value-added, while containing the negative environmental impact of extractive industries, large-scale agriculture and traditional manufacturing, and ensuring social inclusion and decent work for all. Overcoming these challenges, realising the full potential of Industry 4.0, and channelling this potential into sustainable development, requires improving policy frameworks to overcome market and coordination failures and to provide the right incentives and opportunities for broad experimentation with different technologies and ideas – in other words, innovation. The project will build on, complement and expand ECE's existing work in this area, including: the policy dialogue on innovation for sustainable development; national Innovation for Sustainable Development Reviews; a pilot sub-regional Innovation Policy Outlook; innovation policy principles; the recently adopted SPECA Strategy on Innovation for Sustainable Development; as well as capacity-building for policy makers in putting recommendations into practice and monitoring and evaluating impact. It will build in particular on the good practices on the 4th Industrial Revolution and its implications for innovation policy from a sustainable development perspective which the ECE Committee on Innovation and Competitiveness Policies adopted at its 13th session in 2019 (ECE/CECI/2019/2). The objective of the project will be achieved through the following activities: A1.1. Carry out a National Innovation for Sustainable Development Review (I4SDR) of Uzbekistan; A2.1. Participation of CIS delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan, or Uzbekistan, in the sessions of the Team of Specialists on Innovation and Competitiveness Policies (TOS-ICP) in Geneva, which will include substantive sessions of high relevance to participants on issues related to innovation policy reform in the context of the digital economy and Industry 4.0. (13th TOS-ICP session (2020 Q4) and 14th TOS-ICP session (2021 Q4)); A2.2. Participation of CIS delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan, or Uzbekistan, in the session of the Committee on Innovation, Competitiveness and PPPs (CICPPP) in Geneva, which will include a substantive session of high relevance to participants on issues related to innovation policy reform in the context of the digital economy and Industry 4.0. 15th (CICPPP) session (2021 Q1); A2.3. Organisation of a sub-regional policy dialogue event, especially for delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan and Uzbekistan, potentially as an ECE side event for the 2021 Regional Forum on the SDGs of the Eurasian Economic Union or a SPECA event, to draw lessons from and follow up on Innovation for Sustainable Development review results, as UNECE has reviewed all countries except Turkmenistan. The project contributes to the achievement of SDGs 4, 8, 9, and 17.		
Expected results of the project: EA1. Enhanced capacity of Uzbekistan to formulate, coordinate and implement policy reforms to boost innovation in the context of the digital economy and Industry 4.0; EA2. Improved sub-regional and regional cooperation on promoting innovation in the digital economy and Industry 4.0 to support progress towards the SDGs.		
Target group and beneficiaries of the project: The target group are senior officials from ministries of energy and industry and experts from the business community, civil society, international organisations, academia and financial institutions. The beneficiary countries are Armenia, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, and Uzbekistan.		
Justification of project and its relationship to the programme of work: The project will contribute to the objective of the Subprogramme 4 “Economic Cooperation and Integration” “to strengthen policies on innovation, competitiveness and public-private partnerships policies in the ECE region” of the UNECE Proposed project budget for 2020.		
Estimated UN regular budget resources (work months of RB staff/level of Staff): 0.5 month P5/ RB; 1 month P4/ RB; 1 month G7/ RB		
Estimated extra budgetary resources		
Donors	Amount (US\$)	
Russian Federation	200,000	
Project Manager: Ralph Heinrich 04.05.2020	Section/Division: Innovative Policies Development Section; Economic Cooperation and Trade Division	
Cleared by Programme Management Unit: Nicolas Dath-Baron Officer-in-Charge 04.05.2020	Approved by EXCOM¹	21.05.2020

¹ See paragraph 31 (a) of Commission decision A(65).

Annex
Results-based budget for the extra-budgetary project

Expected accomplishments	Planned activities	Estimated costs (USD)
EA1. Enhanced capacity of Uzbekistan to formulate, coordinate and implement policy reforms to help the country boost innovation, especially in the context of the digital economy and Industry 4.0	A1.1. Carry out a National Innovation for Sustainable Development Review (I4SDR) of Uzbekistan, including inception and fact-finding missions, drafting the background notes recommendation and chapters/publication, organization of launch event.	109,000
	P3 staff to coordinate project and lead analysis x 4.18 months \$13,500	56,400
	Travel of staff: 3 missions x \$2,000 per mission	6,000
	Travel of experts: 6 missions x \$2,000 per mission	12,000
	International consultant to provide specialized expertise not available in the secretariat on priority issues to be covered in elective chapters: 5 months x \$5,120 per month	25,600
	Contractual services (interpretation during missions, editing and translation of publication)	19,000
EA2. Improved sub-regional and regional cooperation on promoting innovation in the digital economy and Industry 4.0 to support progress towards the SDGs	A2.1. Participation of CIS delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan, or Uzbekistan, in the sessions of the Team of Specialists on Innovation and Competitiveness Policies (TOS-ICP) in Geneva, which will include substantive sessions of high relevance to participants on issues related to innovation policy reform in the context of the digital economy and Industry 4.0. (13th TOS-ICP session (2020 Q4) and 14th TOS-ICP session (2021 Q4).	28,000
	Travel of experts to attend TOS-ICP sessions: 13 missions x \$2,000	26,000
	P3 staff to support preparation of TOS-ICP sessions x 0.15 months \$13,500	2,000
	A2.2. Participation of CIS delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan, or Uzbekistan, in the session of the Committee on Innovation, Competitiveness and PPPs (CICPPP) in Geneva, which will include a substantive session of high relevance to participants on issues related to innovation policy reform in the context of the digital economy and Industry 4.0. 15th (CICPPP) session (2021 Q1).	14,000
	Travel of experts to attend CICPPP session: 6 missions x \$2,000	12,000
	P3 staff to support preparation of CICPPP session x 0.15 months \$13,500	2,000
	A2.3. Organisation of a sub-regional policy dialogue event, especially for delegates and experts from Armenia, the Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan and Uzbekistan, potentially as an ECE side event for the 2021 Regional Forum on the SDGs of the Eurasian Economic Union or a SPECA event, to draw lessons from and follow up on Innovation for Sustainable Development review results.	24,000
	Travel of staff to attend event: 3 missions x \$2,000	6,000
	Operating and other direct costs (room rental, interpretation): lump sum	2,000
	Travel of experts to attend event: 7 missions x \$2,000	14,000
	P3 staff to support preparation of event x 0.15 months \$ 13,500	2,000
Budget summary		175,000
13% of Programme Support Costs		22,750
Subtotal		198,000
1% levy		1,980
Total (rounded)		200,000