

**ECONOMIC COMMISSION FOR EUROPE**

**EXECUTIVE COMMITTEE**

Ninety-second meeting

Geneva, 23 June 2017

Item 3 (a) of the provisional agenda

Informal document No. **2017/25**

**Meeting with the Chair of the Committee on Innovation,  
Competitiveness and Public-Private Partnerships (CICPPP)**

**Report by the Chair**

## **Report by the Chair of the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP)**

The Chair of the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP) Mr. Sharon Kedmi (Israel) is pleased to submit his report to the ninety-second meeting of EXCOM on 23 June 2017.

### **1. Introduction**

1. The tenth session of the Committee on Innovation, Competitiveness and Public-Private Partnerships (23-25 May 2016, Geneva) approved the inter-sessional implementation plan for 2016-2017 (ECE/CECI/2016/5) based on the programme of work of the Committee for 2016-2017 (ECE/CECI/2015/9). The implementation plan is paying special attention to the role of the CICPPP in supporting the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda.

2. This report outlines the main achievements of CICPPP in implementing the plan and the programme of work in the period between 2016 and spring 2017 as well as major activities planned for 2017 and beyond. More information is contained in the report of the CICPPP to the eleventh session which was held from 20 to 22 March 2017 in Geneva (ECE/CECI/2017/2).

## **II. Achievements since the last session**

### **Innovation and Competitiveness**

3. A new set of good practices was developed on “Impact investing – Financing Innovative Entrepreneurship for Sustainable Development” on the basis of a policy conference on the same topic held as part of the 2016 session of the Team of Specialists on Innovation and Competitiveness Policies (document ECE/CECI/2017/CRP.1).

4. The Russian version of the Innovation Performance Review of Tajikistan was published (publication ECE/CECI/22). The Innovation for Sustainable Development Review of Belarus was completed and will be launched at the end of June 2017 in Minsk. Belarus has thus become the first country to complete a second review, five years after the initial review.

5. Following the successful pilot on Belarus, a national Innovation for Sustainable Development Review of Kyrgyzstan was initiated. The peer review will take place in Bishkek as part of the annual session of the Working Group on Knowledge-Based Development of the UN Special Program for the Economies of Central Asia on 22-23 June 2017.

6. The UNECE secretariat is a member of the Inter-Agency Task Team on Science, Technology and Innovation for Sustainable Development, together with some 30 other UN agencies. The Task Team organized the second Multi-Stakeholder Forum on Science, Technology and Innovation for Sustainable Development on 15-16 May 2017 in New York. The Forum covered six Sustainable Development Goals, including Goal 9 (“Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”), thus highlighting the cross-cutting nature of STI as a means to achieving the goals set in the 2030 Agenda. The Forum will provide inputs to the 2017 High-Level Forum for Sustainable Development.

7. An international conference on “Start-up Nations - Innovative Entrepreneurship for Sustainable Development” was organized together with the Government of Israel on 2 November 2016 in Geneva. The conference showcased specific examples from throughout the UNECE region of start-up companies developing and scaling up innovative solutions to sustainable development challenges.

8. The second start-up competition Ideas4Change was organized together with other divisions on the occasion of the 67<sup>th</sup> session of the Economic Commission for Europe and in cooperation with Startup Nation Central of Israel and the MassChallenge Accelerator. The competition celebrated the potential of innovative entrepreneurship to contribute to achieving the 2030 Agenda for Sustainable Development. The finalists presented their projects to an international jury at the margins of the Regional Forum on Sustainable Development, and the winners were showcased at a side event of the Commission session. A roundtable with the jury members was also organized, which discussed the prospects and challenges of promoting innovative entrepreneurship for sustainable development.

### **Public-Private Partnerships (PPP)**

9. The International PPP Centre of Excellence continued its work to elaborate international standards on people-first PPPs for the UN SDGs. The revised draft standard on a Zero Tolerance Approach to Corruption in PPP procurement (ECE/CECI/2017/CRP.2) is expected to be finalised in the course of 2017. Work on other standards in transport (airports, roads, rail and urban rail), water and sanitation, and renewable energy are at various stages of development. Work had also started on the best practice guide on PPPs in waste to energy projects led by China Everbright International.

10. The work on the revised guiding principles on people-first PPPs for the UN SDGs is also ongoing. The development of these principles is being coordinated with other UN agencies and the World Bank as part of the Addis Ababa Action Agenda framework.

11. People-first PPP case studies continue being collected and evaluated according to the people-first criteria. A series of case studies were presented at the second UNECE International people-first PPP Forum in Hong Kong on 9-11 May 2017.

12. The network of International Specialist Centres plays a crucial role in backstopping the work on PPP standards by providing the empirical evidence based on collecting international PPP best practices and case studies. New Centres have been established in Lebanon (PPPs in ports) and Portugal (PPPs in water and sanitation).

13. The project “Capacity Development to Support the Implementation of PPPs in Belarus”, which was concluded in 2016, has been evaluated by an independent evaluator. He provided a very positive appraisal of the work of the UNECE PPP Business Advisory Board in providing targeted policy advisory services to Belarus on project identification and the legal and regulatory framework in the country. The Government of Belarus also provided very positive feedback on this project.

14. The UNECE PPP Business Advisory Board has continued to assist in the standards-setting process and to help countries with the implementation of the standards, as well as with their project pipelines. Since the last CICPPP session, a total of eight capacity building and policy advisory activities were organised: five policy advisory missions and consultative meetings of the PPP Business Advisory Board (Belarus, Kazakhstan, the Russian Federation, Ukraine, and China); and three international PPP activities with a capacity building component (in China, Thailand and Spain).

### **III. Major activities planned for 2017 and beyond**

#### **Innovation and Competitiveness**

15. The eleventh session of the Team of Specialists on Innovation and Competitiveness Policies will be held in Geneva on 1-2 November 2017. The topic of the substantive segment will be chosen *inter alia* to generate inputs for the 2018 global Multi-Stakeholder Forum on Science, Technology and Innovation for Sustainable Development (cf. below).

16. The national Innovation for Sustainable Development Review of Kyrgyzstan will be completed. Armenia and Ukraine have requested second-round reviews. Azerbaijan and Uzbekistan have informally expressed interest in first-time reviews. The sequencing and timing of these reviews will depend on the availability of extra-budgetary resources. Preparatory missions, fact-finding missions, peer reviews and launch events will be organized accordingly towards the end of 2017 and in 2018.

17. Policy advisory workshops to support the implementation of policy recommendations made in previous Reviews will be organized, in cooperation with national counterparts who participated in the Reviews in the second half of 2017 and 2018 subject to demand from member States and available resources.

18. The 2017 Economic Forum of the UN Special Program for the Economies of Central Asia will be organized on the topic of Innovation for Sustainable Development. It will provide a platform to discuss sub-regional cooperation to harness the power of innovation for achieving national sustainable development priorities.

19. A Multi-Stakeholder Forum on Science, Technology and Innovation for Sustainable Development will be organized together with the other members of the Inter-Agency Task Team in New York in 2018. The Forum will cover the same SDGs as the 2018 High-Level Political Forum, i.e. SDG 6 (water), SDG 7 (energy), SDG 11 (cities), SDG 12 (sustainable consumption and production) and SDG 15 (terrestrial eco-system). Opportunities for cooperation with other sub-programs of UNECE will be explored.

#### **Public-Private Partnerships**

20. Work on developing international PPP standards in support of the Sustainable Development Goals (SDGs) will continue. International standards on PPPs in health policy, in water and sanitation, in renewable energy, and in transport (roads, rail, urban rail and airports) will be finalized during 2017 and 2018.

21. Support for implementing these standards and best practices in countries will be provided through demand-driven national, regional, and international capacity-building activities as well as through policy advisory services carried out by the UNECE PPP Business Advisory Board.

22. People-first PPP case studies will continue to be collected and evaluated according to the people-first criteria.

23. An International PPP Forum to further advance the work on international PPP standards will be held in Qingdao, China, in September 2017.

24. The inaugural session of the Working Party on PPPs, replacing the Team of Specialists on PPPs, will be held in Geneva on 21-22 November 2017.

#### **IV. Any proposed change to the subsidiary structure of the Committee**

25. None. The organizational structure of the CICPPP is shown in the annex to this report.

#### **V. Inter-sectoral activities: new activities and/or progress in existing inter-sectoral activities**

26. UNECE (CICPPP and the Steering Committee on Trade Capacity and Standards) and the Government of Belarus jointly organized a conference in Minsk in October 2016, entitled “Laying the foundation in the UNECE region for economic integration and sustainable development towards 2030” (<https://www.unece.org/vision2030.html>).

27. Recommendation on PPPs in Trade Facilitation are being jointly developed with the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT)

28. A Workshop on People-First PPPs was jointly organized with UN/CEFACT in Bangkok, Thailand.

29. The Committee’s programme on national Innovation for Sustainable Development Reviews has been informed by earlier Environmental Performance Reviews of these countries carried out under the Committee on Environmental Policy. The Inland Transport Committee is in the process of launching a programme on national Transport Reviews and has expressed an interest in learning from the experience of the Committee on Innovation, Competitiveness and PPPs about the methodologies and processes underlying the Innovation for Sustainable Development Reviews.

30. There is significant potential to expand this cooperation and to explore the possibility of joint work on topics such as green growth, clean technologies, or energy efficiency, where the Committee’s innovation-related expertise could complement the expertise available in the Inland Transport Committee, Sustainable Energy Committee and Committee on Environmental Policy. The results of such cooperation could be showcased at the 2018 Multi-Stakeholder Forum on Science, Technology and Innovation for Sustainable Development.

31. In its work on public-private partnerships, the Committee is cooperating with the UNECE Committee on Sustainable Energy on defining PPP-friendly business models in the area of energy recovery from waste. The two committees will organize an international workshop in Astana, Kazakhstan in June 2017.

#### **VI. Technical cooperation activities**

32. Capacity-building and policy advisory activities were carried out and are planned as described in sections I and II above.

#### **VII. Cooperation with other organizations**

33. UNECE has observer status at the Organisation for Economic Co-operation and Development (OECD) Working Group on Technology and Innovation Policy and the Working Group on Small and Medium-sized Enterprises.

34. The United Nations Economic and Social Commission for Western Asia (ESCWA) has invited UNECE to a conference to share experience with national Innovation for

Sustainable Development Reviews. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) is in the process of expanding its activities on innovation policy and has expressed an interest in cooperation, inter alia on the topic of impact investing.

35. The important and mutually beneficial cooperation with the World Bank Group and other multilateral development banks in the development of PPP standards is continuing, including on a revised PPP Reference Guide.

36. UNECE and the European Bank for Reconstruction and Development have launched a joint effort in 2017 to prepare general legal framework conditions for PPPs. The two Organisations already work jointly to improve the legal and regulatory framework in CIS countries.

## Annex

### The organizational structure of the Committee on Innovation, Competitiveness and Public-Private Partnerships

