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**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), Ms. Sedef Yavuz Noyan (Turkey), is pleased to submit her report to the 106th meeting of EXCOM on 8 July 2019.

1. Introduction

1. This report describes the main achievements of CICPPP in the period -June 2018 - June 2019 as well as major activities planned for the remainder of 2019 and 2020. More information is contained in the report of the CICPPP on its thirteenth session, which was held from 25 to 27 March 2019 in Geneva, and is contained in document ECE/CECI/2019/2.

2. The Committee's activities in the reporting period are based on the Programme of Work for 2018-2019, as approved by the Executive Committee at its ninety-second meeting on 23 June 2017 (ECE/EX/2017/L.4), and on the inter-sessional implementation plan for 2018-2019 adopted by the Committee at its twelfth session (ECE/CECI/2018/2, Annex II).

II. Achievements since the last session

Innovation and Competitiveness

3. The 2030 Agenda for Sustainable Development assigns a critical role to innovation. The expertise and the activities of the Team of Specialists on Innovation and Competitiveness Policies contribute to advancing the 2030 Agenda through good practice-based policy recommendations on fostering innovation in areas critical for sustainable development; national Innovation for Sustainable Development Reviews, which analyse national policies in the light of international best practice and make recommendations for improvement; and follow-up policy advisory and capacity-building that assist Governments, upon their request, with implementing selected policy recommendations.

4. During the reporting period, one new set of good practices was adopted, one national review with some 80 policy proposals was completed, one review and a new sub-regional policy outlook were started, four countries implemented policy reforms as a result of UNECE support, and one national and one sub-regional action plan were drafted.

Development of international good practices

5. A new set of good practices was developed on the topic "The Fourth Industrial Revolution – Reshaping Innovation Policies for Sustainable and Inclusive Growth" based on a policy conference on the same topic held as part of the 2018 session of the Team of Specialists on Innovation and Competitiveness Policies, as contained in document ECE/CECI/2019/3.

6. The Team held a discussion on the scope, modalities of development and possible content of Innovation Policy Principles and decided to establish a task force under the guidance of its bureau to drive its work in this area. A first discussion on the remit and modalities of work of the task force has been held.

Policy analysis and recommendations

7. The Innovation for Sustainable Development Review of Kyrgyzstan was launched in the country during a conference hosted by the national focal point Kyrgyz Patent. It contains 24 recommendations on improving innovation policy in Kyrgyzstan with some 80 specific policy actions.
8. Work on the Innovation for Sustainable Development Review of Georgia was started with a preparatory mission of the secretariat to the country.
9. Implementation of the new pilot UNECE Subregional Innovation Policy Outlook has started. The pilot methodology and assessment questionnaire were elaborated. Project inception missions were conducted to Armenia, Azerbaijan, Belarus, Georgia, and Ukraine to launch the methodology and assessment questionnaire.

Policy advice and capacity-building to implement recommendations and good practices

10. Over 200 policy makers from 11 countries with economies in transition benefitted from capacity-building and policy advisory services based on the above normative and analytical work. Specific innovation policy reforms were undertaken in Armenia, Belarus and Kazakhstan as a result of UNECE policy advice and capacity building support for the implementation of recommendations made in earlier national innovation reviews. Draft action plans for innovation policy reform were developed by Kyrgyzstan and for the member States of the Special Programme for the Economies of Central Asia (SPECA).
11. The 2018 and 2019 sessions of the SPECA Working Group on Knowledge-Based Development were organized together with the UN Economic and Social Commission for Asia and the Pacific (ESCAP). The 2018 session was hosted by the Government of Azerbaijan in Baku, and a capacity-building workshop on “Innovation Strategy, Technology Applications and Infrastructure for the SDGs” was held back to back with the session. The 2019 session was hosted by the Government of Kyrgyzstan in Bishkek, and a capacity-building workshop on “Innovation and Technology Applications for Sustainable Development” was held back to back with the session.
12. A sub-regional capacity-building workshop on “Strengthening Technology Transfer Capacities of Countries in Central Asia” were organized together with the Asia-Pacific Centre for Technology Transfer of ESCAP and the participation of UNCTAD. The workshop was hosted by the National Agency for Technological Development of Kazakhstan in Astana.
13. Under the framework of a Memorandum of Understanding signed in 2018, three capacity-building events were organized in Belarus. The first was a national capacity-building workshop on Technology Foresight Methodology together with the State Committee on Science and Technology of Belarus. The second was a sub-regional capacity-building workshop on “Promoting innovative, high-growth enterprises in Eastern Europe and the Caucasus”, organized together with the Organization for Economic Cooperation and Development (OECD) and hosted by the National Academy of Public Administration. The third event was a national workshop on “Access to Finance for Innovative Businesses”, again co-organized with the State Committee on Science and Technology.
14. A regional training seminar on innovation policy was organized together with the United Nations Conference on Trade and Development (UNCTAD) in Geneva back-to-back with the thirteenth session of the Committee.
15. A follow-up meeting to the Innovation for Sustainable Development Review of Kyrgyzstan was held in Bishkek to discuss a draft Action Plan to be adopted by the Government based on the recommendations from the Review. Another follow-up meeting

was held with the Donor Coordination Council in Bishkek to explore possible support for the Action Plan.

Public-Private Partnerships (PPP)

16. The emphasis of the UNECE's PPP work continues to be on adopting a new approach to PPPs to make them fit for purpose for the Sustainable Development Goals (SDGs). "People-first PPPs" is the phrase used in remodelling the PPP concept from a purely "value for money" tool to one based upon effective and replicable projects that also support social and environmental benefits such as increased access to essential services, equity, resilience, a green sustainable economy, and poverty alleviation.

17. In the reporting period, six standards, guiding principles and declarations were adopted, and over 200 policy makers and practitioners from a dozen countries benefitted from related capacity-building and policy advisory activities.

Development of standards, guiding principles, declarations and recommendations

18. The UNECE International PPP Centre of Excellence continued its work to elaborate international standards on People-first PPPs for the SDGs.

19. The secretariat hosted the PPP discussion at the SDG Investment Fair at the UN Headquarters in New York from 15 to 17 April 2019, where the focus of the discussion was on People-first PPPs.

20. The standards on PPPs in Railways (ECE/CECI/WP/PPP/2018/6), Renewable Energy (ECE/CECI/WP/PPP/2018/7) and Roads (ECE/CECI/WP/PPP/2018/8) were endorsed by the Working Party at its second session in November 2018 and were validated by the Committee.

21. To further promote the UNECE standard on a Zero Tolerance Approach to Corruption in PPP procurement adopted in 2018, a voluntary Declaration on a Zero Tolerance Approach to Corruption in PPP Procurement was endorsed by the Working Party at its second session and adopted by the Committee (ECE/CECI/WP/PPP/2018/4).

22. PPP Standards on water supply and sanitation; urban transit rail; and a model law on PPP/concessions (jointly undertaken with the European Bank for Reconstruction and Development (EBRD) and in coordination with the United Nations Commission for International Trade Law (UNCITRAL) are in various stages of preparation.

23. The guiding principles on People-first PPPs for the UN SDGs (ECE/CECI/2019/5) and on the People-first outcomes (ECE/CECI/2019/6) were endorsed by the Working Party at its second session and adopted by the Committee. Furthermore, a document on Putting the Guiding Principles on People-first PPPs into practice (ECE/CECI/2019/7) was also endorsed by the Working Party and adopted by the Committee.

Analysis

24. The secretariat continues expanding the compendium of case studies as part of a campaign to collect 500 case studies that demonstrate the UNECE People-first PPP criteria and how these projects are meeting the SDGs. 120 case studies have been collected so far. They will be measured and scored against the People-first PPP outcomes and the SDGs once the Project Impact Assessment Tool is developed by a multi-stakeholder Project Team.

25. A PPP readiness assessment was prepared by the PPP Business Advisory Board in Kazan to assess the preparedness of Tatarstan to undertake People-first PPPs, Kazan, Russian Federation (24-26 July 2018). A follow up activity was organised in Kazan on

13 December 2018 to present the PPP readiness assessment report and discuss follow up activities.

Policy advice and capacity-building to implement standards, guiding principles and recommendations

26. The International Specialist Centres affiliated to the UNECE International PPP Centre of Excellence continued to play a crucial role in promoting the UNECE People-first approach. Two meetings of the International PPP Specialist Centres were held in Beijing, China, in December 2018, and in Paris, France, in April 2019, to discuss cooperation, their role in promoting the People-first PPP approach and in capacity-building.

27. To facilitate the voluntary implementation of UNECE PPP standards, guiding principles, declarations and recommendations, the Committee requested the Working Party on PPPs to make recommendations to the Committee at its next session on implementation and impact of UNECE PPP standards, guiding principles, best practices, declarations and recommendations.

28. The third UNECE International People-first PPP Forum was organized in Geneva on 7-9 May 2019, including a dedicated session with multi-stakeholder participation on the voluntary implementation and impact of UNECE PPP standards, guiding principles, best practices, declarations and recommendations. The highlight of the Forum was the panel with the Executive Secretaries of the UN Regional Commissions agreeing to work together to make PPP ‘fit for purpose’ for the 2030 Agenda.

29. To further promote the implementation of People First PPP standards, the PPP dialogue for Belt and Road countries was launched at the second session of the Working Party. The dialogue takes place in the framework of the Memorandum of Understanding signed between the UNECE and the National Development and Reform Commission of China in 2017. The Working Party agreed on the areas for discussion of the next dialogue, which will be held subject to the availability of extra-budgetary resources. A request for funding has been made by the secretariat to UN DESA under the UN Peace and Development Fund.

30. During the reporting period, the following policy advisory missions and capacity-building activities were organized by the UNECE International PPP Centre of Excellence:

(a) The Third edition of the UNECE International PPP Forum “Scaling up: Meeting the challenges of the United Nations 2030 Agenda for Sustainable Development through People-first PPPs”, was held in Geneva (7-8 May 2018);

(b) An International Conference on Implementing People-first PPPs for the UN SDGs, jointly organised with the Ministry of Economic Development of Ukraine, the Kiev City State Administration, the Ukrainian PPP Development Support Center, and with the support of the World Bank Group, was held in Kiev (5-6 June 2018);

(c) Four Regional PPP Workshops we held jointly with the PPP Unit of Belarus in the cities of Brest, Grodno, Minsk and Vitebsk (2018);

(d) An International Conference on the role of People-first PPPs in support of the SDGs, was jointly organised with the Ministry of Economy of Belarus, in Minsk (12 September 2018); and

(e) A consultative visit of the PPP Business Advisory Board to Sofia co-organised with the Ministry of Regional Development and Public Works, with a focus on PPPs in the roads and water sectors, was held in Bulgaria (19-20 September 2018).

III. Major activities planned for 2019 and beyond

Innovation and Competitiveness

31. The twelfth session of the Team of Specialists on Innovation and Competitiveness Policies will be held in Geneva on 5-6 December 2019. As part of the session, an international policy conference will provide an opportunity for experts from across the UNECE region to exchange experiences on innovation policy. The bureau of the Team will decide on the specific topic in consultation with the Team members.

32. The Innovation for Sustainable Development Review of Georgia will be completed. A new Review of Armenia will be started. A methodological guide on Innovation for Sustainable Development Reviews will be prepared based on expert consultations within the Team of Specialists on Innovation and Competitiveness Policies.

33. Follow-up policy advisory and capacity-building workshops to support the implementation of policy recommendations from earlier innovation reviews will be organized in the second half of 2019 and in 2020. Additional policy advisory and capacity-building events will be organised in other countries subject to extrabudgetary funding.

34. A regional training seminar on selected aspects of innovation policy will be organized jointly with UNCTAD and other interested UN agencies in the framework of the Inter-Agency Task Team on Science, Technology and Innovation for Sustainable Development in the fourth quarter of 2019.

35. A study tour on science parks in the Russian Federation will be organized for policy makers and practitioners from CIS countries.

36. A sub-regional training on innovation policies will be organized together with the United Nations Economic and Social Commission for Asia and the Pacific. The precise topic should be decided in consultation with the beneficiary countries, and could include development of an effective private incubator system.

37. The 2020 session of the Working Group on Knowledge-Based Development of the United Nations Special Programme for the Economies of Central Asia (SPECA) will be organized together with ESCAP. A policy conference will be organised back-to-back with the session. The SPECA Innovation Strategy for Sustainable Development will be finalized.

38. The pilot sub-regional Innovation Policy Outlook will be completed in close cooperation with participating Governments.

39. A task force convened by the Team of Specialists on Innovation and Competitiveness Policies will develop draft high-level policy principles on selected aspects of innovation for sustainable development. A broad multi-stakeholder consultation process will be initiated.

Public-Private Partnerships

40. The third session of the Working Party on PPPs will be held in Geneva on 3-4 December 2019. The session will further advance the work on developing international PPP standards in support of the SDGs. The fifth edition of the UNECE International PPP Forum will be organised in 2020.

41. The second PPP dialogue for Belt and Road countries will be organised in Geneva in 2019, subject to extrabudgetary resources.

42. Regular coordination meetings of the network of the International PPP Specialist Centres of Excellence affiliated to the UNECE International PPP Centre of Excellence will take place in 2019 and 2020.

43. International standards on PPPs in health policy, in water and sanitation and in urban rail will be finalized during 2019. Work on the model concession/PPP law will be advanced in 2019 in cooperation with UNCITRAL and EBRD. The guidelines on PPPs in waste to energy projects will be finalised in 2019.

44. National and sub-regional policy advisory and capacity-building activities will be held in 2019 and 2020 in Belarus, Kyrgyzstan, the Russian Federation, and Tajikistan on formulating and implementing national PPP policy frameworks to promote PPPs as tools to achieve the SDGs. These activities are part of the extrabudgetary project “Strengthening the capacity of CIS countries to advance their use of PPPs to achieve the SDGs” financed by the Russian Federation. A capacity-building initiative for countries within the Belt and Road initiative, based on three pillars of cooperation (policy dialogue, national capacity-building and transformational projects) will be implemented in 2019 and 2020 subject to extrabudgetary resources.

45. An evaluation methodology as an implementation tool to score infrastructure projects against the People-first PPP criteria will to be developed by a Project Team in 2019. The campaign to reach 500 people-first PPP case studies will continue to be promoted.

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

46. There are no changes proposed to the subsidiary structure of the Committee. The organizational structure of the CICPPP is shown in the annex to this report.

47. At its thirteenth session, the Committee adopted the Programme of Work of the Economic Cooperation and Integration subprogramme for 2020, as contained in document ECE/CECI/2019/10. The Committee also renewed the mandate of the Team of Specialists on Innovation and Competitiveness Policies for an additional two years until 2021, as contained in document ECE/CECI/2019/2. The Committee recommended the above decisions to the Executive Committee for approval.

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

48. A roundtable on the topic “The Growth We Want: Solutions for Sustained, Inclusive and Sustainable Economic Growth” was organized jointly with the United Nations Centre for Trade Facilitation and Electronic Business at the 2019 UNECE Regional Forum on Sustainable Development. A session entitled “Towards the Circular Economy – Innovation Policies for Smart Cities” was organized at the 68th session of the Economic Commission for Europe.

VI. Technical cooperation activities

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

VII. Cooperation with other organizations

50. The participation in the Inter-agency Taskforce on Financing for Development and the Inter-agency Task Team on Science, Technology and Innovation for Sustainable Development initiated in the Addis Ababa Action Agenda on Financing for Development will continue.

51. ESCAP will contribute to a sub-regional capacity-building seminar on innovation policy. The established cooperation on innovation and competitiveness policies with ESCAP in the framework of the Special Programme for the Economies of Central Asia (SPECA) will continue, including on the Strategy on Innovation for Sustainable Development of the Special Programme.

52. The secretariat will act as a peer reviewer for the SME Policy Outlook of the Organization for Economic Cooperation and Development (OECD). OECD will in turn serve as a peer reviewer for the pilot Innovation Policy Outlook of UNECE.

53. The PPP model law will be developed jointly with EBRD and in cooperation with UNCITRAL.

Annex

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

