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COMMITTEE ON ECONOMIC COOPERATION AND INTEGRATION

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**DISCUSSION OF THE DRAFT PROGRAMME OF WORK FOR 2008
AND GENERAL ORIENTATION OF THE WORK IN 2009 AND BEYOND**

Note by the secretariat

I. Programme of Work for 2008

1. The content of the Programme of Work for 2008 is based on the decisions of the first session of the Committee on Economic Cooperation and Integration (CECI), 27-28 September 2006 (document ECE/CECI/2006/6). Modifications in formulations only reflect the results of the work in 2007, including the cases when activities or outputs were already carried out in 2007.
2. All capacity-building activities envisaged in the Programme of Work will be carried out in close cooperation with other relevant organizations and institutions operating in this field, including United Nations agencies, with a view to increasing synergies.

THEMATIC AREA A: STRENGTHENING THE COMPETITIVENESS OF MEMBER STATES' ECONOMIES BY PROMOTING THE KNOWLEDGE-BASED ECONOMY AND INNOVATION

Focus area: Creating a supportive environment for innovative development and knowledge-based competitiveness

Main activities and outputs:

- (a) Taking into account the results of 2007 activities, a comparative review of government policies facilitating technological development and innovation;
- (b) Annual meeting of the Team of Specialists on Innovation and Competitiveness Policies;
- (c) Synopsis of policy options for creating a supportive environment for innovative development (to be discussed at the annual session of CECI);
- (d) Following the annual session of CECI, broad dissemination of the findings by the secretariat, Governments, the private sector and other organizations/institutions in the interested UNECE Member States, to be followed by a non-mandatory monitoring of their implementation; and
- (e) Demand-driven capacity-building activities on selected aspects of innovative development and knowledge-based competitiveness, subject to the availability of extrabudgetary resources.

THEMATIC AREA B: FACILITATING THE DEVELOPMENT OF ENTREPRENEURSHIP AND THE EMERGENCE OF NEW ENTERPRISES

Focus Area: Promoting an enabling environment for entrepreneurship and SME development

Main activities and outputs:

- (a) Synopsis of good practices in promoting an enabling environment for entrepreneurship and SME development, taking into account the results of 2007 activities (to be discussed at the annual session of CECI);
- (b) Subregional capacity-building event in one of the interested member States. Its focus will be determined in the light of the outcomes and recommendations of the International Conference on "Reducing Barriers to Entrepreneurship and Encouraging Enterprise Development: Policy Options" held in Geneva on 18 and 19 June 2007; and
- (c) Following the annual session of CECI, broad dissemination of the findings by the secretariat, Governments, the private sector and other organizations/institutions in the interested UNECE Member States.

THEMATIC AREA C: FACILITATING EFFECTIVE REGULATORY POLICIES AND CORPORATE GOVERNANCE, INCLUDING THOSE IN THE FINANCIAL SECTOR

Focus Area: Promoting an enabling environment for efficient financial intermediation in support of innovative development

Main activities and outputs:

- (a) Comparative review of the effects of government policies and regulation on financial intermediation supporting knowledge-driven development, taking into account the results of 2007 activities;
- (b) Expert group meeting on financing innovative enterprise in transition economies and the role of Governments, taking into account the results of 2007 activities;
- (c) Policy recommendations on improving the regulatory environment for the financing of innovation-related activities (to be discussed at the annual session of CECI); and
- (d) Following the annual session of CECI, broad dissemination of the findings by the secretariat, Governments, the private sector and other organizations/institutions in the interested UNECE Member States.

THEMATIC AREA D: PROMOTING PUBLIC-PRIVATE PARTNERSHIPS FOR DOMESTIC AND FOREIGN INVESTMENT, AS WELL AS INTELLECTUAL PROPERTY RIGHTS

Focus Area: Facilitating the effective regulatory protection of intellectual property rights and strengthening their role in innovative development

Main activities and outputs:

- (a) Based on 2007 work, a guidebook on commercialization strategies for intellectual property products in the UNECE member countries;
- (b) Ongoing exchange of experience gained on intellectual property rights protection and commercialization, possibly through interactive seminars in member States or regional events;
- (c) Specific targeted seminars on request in identified areas of need for the UNECE countries with economies in transition, subject to the availability of extrabudgetary resources;
- (d) Capacity-building activities based on specific requests of member States, subject to the availability of extrabudgetary resources; and

- (e) Annual meeting of the Team of Specialists on Intellectual Property.

Focus Area: Promoting best practice in efficient public-private partnerships

Main activities and outputs:

- (a) Training materials on Public-Private Partnerships (PPPs) based on the Guidebook prepared in 2007 to be used in capacity-building activities;
- (b) Comparative review on the legal background of PPPs, with the goal of identifying whether new legislation needs to be adopted to make them more efficient. The exact thematic focus of this output can be subject to further discussion by the Team of Specialists on PPP, if established;¹
- (c) First meeting of the Team of Specialists on PPPs, if established;
- (d) Based on results of 2007 activities and Comparative review, a synopsis of policy recommendations on improving the legal background for efficient PPPs (to be discussed at the annual session of CECI). This work can be taken up by the Team of Specialists on PPPs, if established, and its focus would be aligned to that of the Comparative review;
- (e) Following the annual session of CECI, broad dissemination of the findings by the secretariat, Governments, the private sector and other organizations/institutions in the interested UNECE Member States; and
- (f) Building on the results achieved in 2007, a capacity-building event, in conjunction with an international conference on sharing of national experiences in PPPs, to be funded mainly from resources available from the ongoing United Nations Development Account project “Public-Private Partnership Alliance Programme for Capacity-Building in Infrastructure Development and Provision of Basic Services”.

THEMATIC AREA E: OTHER RELEVANT ASPECTS OF INTERNATIONAL ECONOMIC COOPERATION AND INTEGRATION

Focus Area: Fostering wider and deeper international economic integration in the UNECE region

- (a) Policy discussion meeting at Committee level on fostering wider and deeper international economic integration in the UNECE region;

¹ The International Conference on ‘Knowledge Sharing and Capacity-Building on Promoting Successful Public-Private Partnerships in the UNECE Region’ held in Tel Aviv on 5-8 June 2007 recommended that CECI at its second session consider setting up a Team of Specialists on PPPs.

- (b) Exchange of experience gained by SMEs aimed at improving their capacity to accede the globalizing market, including global and regional added value chains, integration in the supply chain, role and potential of outsourcing.

II. Programme of Work for 2009 and Beyond

3. The Programme of Work for 2009 will cover the same five thematic areas as in 2007-2008, namely:

- (a) Thematic Area A: Strengthening the Competitiveness of Member States' Economies by Promoting the Knowledge-Based Economy and Innovation

Focus area: Creating a supportive environment for innovative development and knowledge-based competitiveness

- (b) Thematic Area B: Facilitating the Development of Entrepreneurship and the Emergence of New Enterprises

Focus Area: Promoting an enabling environment for entrepreneurship and SME development

- (c) Thematic Area C: Facilitating Effective Regulatory Policies and Corporate Governance, Including Those in the Financial Sector

Focus Area: Promoting an enabling environment for efficient financial intermediation in support of innovative development

- (d) Thematic Area D: Promoting Public-Private Partnerships for Domestic and Foreign Investment, as well as Intellectual Property Rights

- (i) Focus Area: Facilitating the effective regulatory protection of intellectual property rights and strengthening their role in innovative development

- (ii) Focus Area: Promoting best practice in efficient Public-Private Partnerships

- (e) Thematic Area E: Other Relevant Aspects of International Economic Cooperation and Integration

Focus Area: Fostering wider and deeper international economic integration in the UNECE region

4. In accordance with the Work Plan on UNECE Reform (document E/ECE/1434/Rev.1), the Executive Committee will review the Subprogramme on Economic Cooperation and Integration no later than in December 2008 with a view to assessing if the level of resources is appropriate and optimizing the programme if necessary. The secretariat and the CECI Bureau will provide the necessary information and inputs for this review.

5. The specific activities and outputs to be carried out in 2009 and beyond will be determined at the third session of CECI in December 2008 on the basis of the results of the work carried out in 2007-2008, the identified needs and requests of member States, and the level of resources determined as a result of the review of the Subprogramme. In preparing proposals for the Programme of Work in 2009 and beyond to the Committee, the secretariat will consult with the members of the CECI Bureau, as well as with the Bureaus of the CECI Teams of Specialists and will take into account specific requests by Governments of member States.

6. The CECI Terms of Reference stress the importance of capacity-building activities in the mandated areas of work. Starting from 2009, capacity-building activities in requesting countries/subregions will be assigned greater emphasis in the Programme of Work. In preparation for this, the results of normative work carried out during the 2007-2008 period will be translated into capacity-building and training materials/modules. This work will start already in 2008 and in 2009 it will be expanded to cover all thematic areas on the Programme of Work.

7. Interested members of the CECI Teams of Specialists and networks of experts will be invited to contribute to these capacity-building activities. The secretariat will also continue developing cooperation in capacity-building with other relevant international organizations. Possibilities for joined capacity-building activities will be further explored (building on experience gained in 2007-2008).

8. Given the increasing focus on capacity-building, the amount of policy development/normative work and the number of related reports and meetings in Geneva would need to be reduced. At the same time, policy development/normative work would continue in order to keep the CECI expert networks operational and continue to add new value in the form of soft regulation/policy recommendations based on exchange of experiences aimed at identification of best practice.

9. Therefore within each thematic area, the scope of policy development/normative work should be focused on a limited number of selected priority issues identified in the course of CECI work in 2007-2008. In determining the thematic focus of specific activities/outputs for 2009 consideration could be given to the following:

- (a) Selected issues within thematic contents of the 2007-2008 Programme of Work, which may require further and more in-depth consideration;
- (b) Policies and approaches that promote competitiveness and innovative development at the regional (subnational) level;
- (c) Issues that may be better addressed at a "cross-border" level and through subregional cooperation; and
- (d) Specific topics, which link two or more of the five thematic areas in the CECI Programme of Work.

10. The implementation of the CECI Programme of Work for 2008-2009 and beyond will continue to be carried out in close cooperation with partner organizations operating in the UNECE region, in particular, the United Nations Department of Economic and Social Affairs (UNDESA), United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organization (UNIDO), United Nations Economic and Social

Commission for Asia and the Pacific (UNESCAP), the European Commission (EC), Eurasian Economic Community (EurAsEC), Organisation for Economic Co-operation and Development (OECD), European Bank for Reconstruction and Development (EBRD), the World Bank, European Patent Office, World Intellectual Property Organization (WIPO), International Trade Centre of UNCTAD/WTO (ITC), World Customs Organization, among others. Drawing on its successful experience in 2007, the secretariat will also continue its efforts to actively engage the private sector in programme implementation and to stimulate a broad multi-stakeholder dialogue on issues addressed in the Programme of Work.

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