


# **The Committee on Economic Cooperation and Integration: Status of Programme Implementation and Prospects**



Presentation by the Secretariat  
at the Second meeting of the Team of Specialists on  
Innovation and Competitiveness Policies  
Geneva, 14-15 February 2008



# Highlights of the Presentation

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- 1. Implementation of the CECI Programme of Work in 2007**
- 2. The Second session of the Committee on Economic Cooperation and Integration**
- 3. Major directions of activities in 2008 and beyond**
- 4. Main successes and challenges**



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# **Implementation of the Programme of Work in 2007**



# The Sub-programme on Economic Cooperation and Integration

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## Mission:

To promote a policy, financial and regulatory environment conducive to economic growth, knowledge-based development and higher competitiveness of countries and businesses in the UNECE region

# The Sub-programme on Economic Cooperation and Integration



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- **The first session of CECI (September 2006) adopted the Programme of Work for 2006-2008**
- **Main focus areas:**
  - innovation and competitiveness policies
  - entrepreneurship and enterprise development
  - financing innovative development
  - public-private partnerships
  - commercialization and protection of intellectual property rights
  - other aspects of economic cooperation and integration
- **Subsidiary bodies:**
  - Team of Specialists on Intellectual Property
  - Team of Specialists on Innovation and Competitiveness Policies

# Commercialization and protection of IPR



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- **Team of Specialists on Intellectual Property**

- Some 100 experts from government agencies, the private sector and academic institutions from 35 countries and international organizations
- Second meeting of the Team, Geneva, 27 July 2007

- **International Conference on Intellectual Property Rights Protection and Transforming Research and Development Outputs into Intangible Assets in Economies in Transition, 25-26 July 2007**

- **Main outputs:**

- Synopsis of good practices and good policies of intellectual property commercialization and protection
- Comparative report on the commercialization of IP assets, on transforming R&D outputs into intangible assets and on the establishment of well functioning markets for such products – work in progress

# Synopsis of good practices and policies of IPR commercialization and protection



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- The rationale for policy intervention
- What is “good practice” in IP commercialization and protection?
- Creating an enabling environment for the transfer of technology
- IP strategies for entrepreneurs and SMEs
  - awareness raising and training programmes;
  - tax breaks or subsidies or reduced fees for IP protection;
  - offering consulting and advisory services or IP audits at preferential terms;
  - match-making services (potential licensors and licensees);
  - model contracts for licensing.
- IP audits, accounting and valuation
- The role of IPR protection and enforcement
- Main policy conclusions

# Innovation and Competitiveness Policies



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## ■ Team of Specialists on Innovation and Competitiveness Policies

- Some 100 experts from government agencies, private sector and academic institutions from 36 countries and international organizations
- First meeting of the Team, Geneva, 8-9 March 2007

## ■ Main outputs:

- Comparative Review “Creating a conducive environment for higher competitiveness and effective national innovation systems. Lessons learned from the experiences of UNECE countries”
- Synopsis of good practices in facilitating the generation and diffusion of innovation



# Innovation and Competitiveness Policies: Comparative review/Synopsis of good practices



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- The rationale for policy intervention
- What is “good practice” in innovation and competitiveness policy?
- The need for a long term-vision
- The search for an adequate policy mix
- Policies targeting:
  - the absorptive capacity
  - the generation of knowledge
  - the diffusion of innovation
  - the demand for innovation
- Measures to improve innovation governance



# Entrepreneurship and Enterprise Development

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- **International Conference on Reducing Barriers to Entrepreneurship and Encouraging Enterprise Development: Policy Options, 18-19 June 2007**
- **Main outputs:**
  - Review of policy approaches for solving problems in legal and institutional frameworks which hinder entrepreneurship and enterprise development

# Entrepreneurship-Enterprise Development: Policy approaches for solving problems



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- Major obstacles to enterprise development
- Lowering administrative barriers
- Improving tax administration
  - Lowering tax rates
  - Introducing a single tax and/or special taxation schemes for SMEs
  - Reducing the number of taxes to be paid
  - Simplifying the tax administration for enterprises
- Improved financing of start-ups and SMEs
- Facilitating the expansion of SMEs abroad
- Improving public governance
- General policy conclusions

# Financing Innovative Development



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- **Meeting of Experts on Financing Innovative Development, 3-4 May 2007**
- **Main outputs:**
  - Financing Innovative Development: Comparative Review of the Experiences of UNECE Countries in Early-Stage Financing
  - Synopsis of good practices in financial intermediation in support of innovation and knowledge driven development

# Financing Innovative Development: Comparative review/Synopsis of good practices



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- **Innovative enterprises and the levers of early stage financing**
- **What is “good practice” in early stage equity financing?**
- **Fundraising**
  - Publicly managed funds
  - Privately managed funds
- **Investing**
  - Improving the entrepreneurial climate
  - More investment ready enterprises
  - Providing investors' guarantees
- **Value adding**
- **Exiting**
- **General policy conclusions**

# Promoting Public-Private Partnerships

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- **International Conference on “Knowledge Sharing and Capacity-Building on Promoting Successful PPPs”, Tel Aviv, 5-8 June 2007** (with the support of the Government of Israel)
  - **Main outputs:**
    - Guidebook on promoting good governance in public-private partnerships
    - Comparative Review of Practical Experiences of PPPs in Market and Transition Economies – work in progress

# Guidebook on promoting good governance in public-private partnerships



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- **Why Public-Private Partnerships?**

- Better value; Access to financing; Certainty of outcomes; Innovation

- **Importance of governance**

- **Seven principles of good governance in PPPs**

- 1. An overall PPP policy
- 2. Need for specific skills to develop PPPs (capacity building)
- 3. Need for an adequate legal framework
- 4. Risks should be shared among participating parties
- 5. Total transparency in the selection of partners
- 6. Need for consulting the public and all stakeholders (accountability)
- 7. PPP projects must contribute to sustainable development

- **Demonstrating success**

# Capacity-building activities



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- **All CECI meetings reported under the five focus areas include a capacity-building component**
- **Targeted capacity-building activities in the field:**
  - International Conference on “Knowledge Sharing and Capacity-Building on Promoting Successful Public-Private Partnerships In the UNECE Region”, Tel Aviv, 5-8 June 2007 (supported by the Government of Israel)
  - Regional Workshop on “Broadband and ICT Development for Improved Communication in Central Asia”, Tashkent, 21-22 June 2007 (with ESCAP)
  - National Seminar on “Information and Communication Technology Policy and Legal Issues”, Dushanbe, 30-31 October 2007 (UNDA supported project)



# Capacity-building activities (continuation)



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## ■ **Jointly organized capacity-building events:**

- Training on IPR Enforcement “Software Applications as Intellectual Property Objects in the Republic of Belarus”, Minsk, 25 - 27 September 2007 (with Government of Belarus)
- Training on IPR enforcement for Russian IPR enforcement officers, Moscow, 13 - 14 November 2007 (with European Anti-Counterfeiting Network SNB-React)
- Training event on “Intellectual Capital Readiness: The Role of Intangibles as a Tool for Raising Finance”, Geneva on 19-20 November 2007 (with WIPO and the private sector)
- Training event on “Intellectual Capital Readiness: The Role of Intangibles as a Tool for Raising Finance”, Ljubljana, on 26-27 November 2007 (with WIPO and the private sector)

# Inter-agency cooperation and cross-sectoral activities



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- **Several jointly organized meetings and capacity-building activities, including:**
  - Meeting on Financing Innovative Development, in cooperation with **DESA**
  - Workshop on “Broadband and ICT Development for Improved Communication in Central Asia”, jointly organized with **ESCAP**
  - Training events on “Intellectual Capital Readiness: The Role of Intangibles as a Tool for Raising Finance”, jointly organized with **WIPO**
  - International Seminar on “Product Safety and Counterfeiting”, organized by the **UNECE Working Party 6 on Regulatory Cooperation and Standardization Policies** in cooperation with the Team of Specialists on Intellectual Property.



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**The Second session of  
the Committee on  
Economic Cooperation  
and Integration  
5-7 December 2007**



# Main Outcomes

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- CECI reviewed programme implementation and expressed its satisfaction with accomplishments
- It thanked the Teams of Specialists and networks of experts for their active participation in programme implementation
- CECI agreed to establish a new Team of Specialists on Public-Private Partnerships
- It adopted Programme of Work for 2008 and general orientation of work in 2009 and beyond



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# Major directions of activities in 2008 and beyond

# Programme of Work for 2008 and beyond



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- Programme of work follows the decisions of the first session of CECI and reflects results of the work carried out in 2007
- Capacity-building activities will have a greater emphasis
- The results of normative work should be translated into capacity-building and training materials/modules
- Capacity-building activities will be carried out in cooperation with other relevant organizations and institutions
- CECI invited Member States to consider organizing and supporting its capacity-building activities



# Some planned meetings in 2008

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- Second meeting of the Team of Specialists on Innovation and Competitiveness policies (TOS-ICP), Geneva, 14–15 February 2008.
- First meeting of the Team of Specialists on Public-Private Partnership (TOS-PPP), Geneva, 28–29 February 2008.
- International Conference on Investing in Innovation: Promoting New Opportunities in the UNECE Region, Geneva, 10–11 April 2008;
- Conference on Early Stage Financing and “Investment Readiness” of Innovative Start-ups, Moscow, May 2008.
- Third meeting of the Team of Specialists on Intellectual Property (TOS-IP), Geneva, 2-4 July 2008.
- Third session of the Committee for Economic Cooperation and Integration, Geneva, 3-5 December 2008.



# Some planned capacity-building activities in 2008

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- **A knowledge-sharing and capacity-building event on Promoting Successful Public-Private Partnerships, Moscow, October 2008** (with the Government of the Russian Federation and support from UNDA project)
- **Capacity-building activities on IP commercialization and enforcement** (Turkey, Belarus, others)
- **Capacity-building activities on early stage financing** (Russia, Belarus)
- **Knowledge sharing on innovation and competitiveness policies** (t.b.c.)
- **Investment Forum for government and business representatives from Central Asia and Russia** (expression of interest by the Government of the Russian Federation)
- **Capacity-building events on knowledge-based development in Central Asian countries**





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# **Main successes and challenges**



# Successes

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- **The implementation of the CECI Programme of Work is well on track**
- **Programme implementation has revealed considerable interest in and demand for CECI activities, from Governments and private sector**
- **The established Teams of Specialists and expert networks are important assets and add value in programme implementation**



# Challenges

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- While private sector participation from developed countries is considerable, there is a potential to increase the participation of developed countries' Governments
- The high demand for CECI activities must be matched with adequate extrabudgetary funding for capacity building activities