



# Economic and Social Council

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## Economic Commission for Europe

### Committee on Innovation, Competitiveness and Public-Private Partnerships

#### Fourteenth session

Geneva, 2-4 June 2021

Item 5 of the agenda

#### Programme of work, Inter-sessional implementation plan for 2021 – 2022, and Outline of key components of the programme of work 2023

### Proposed programme budget for 2022:

## Part II. Programme plan and performance information of the Economic Cooperation and Integration subprogramme

### Note by the Secretariat

1. In its resolution A/72/266 “Shifting the management paradigm in the United Nations”, the General Assembly (GA) approved the proposed change from a biennial to an annual budget period, initially on a trial basis, beginning with the programme budget for 2020.
2. The Proposed Programme Budget of the Organization consists of the following three parts:
  - (a) Part I: the plan outline, which presents the long-term priorities and the objectives of the Organization;
  - (b) Part II: the programme plan and programme performance information for programmes and subprogrammes; and
  - (c) Part III: the post and non-post resource requirements for programmes and subprogrammes.
3. Part I is prepared by the Secretariat at the UN Headquarters, and submitted to the GA through the Committee for Programme and Coordination as a separate document. Parts II and III are prepared by Secretariat Departments (“budget sections”), including ECE, on an annual basis. They are submitted to the GA through the Committee for Programme and Coordination (Part II) and the Advisory Committee on Administrative and Budgetary Questions (Part III).
4. Based on the UN Controller’s instructions in 2020, the ECE Secretariat prepared the draft proposed programme budget for 2022 of subprogramme 4 Economic Cooperation and Integration which is shared for information with the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP). The proposed programme budget of subprogramme 4 has been submitted as part of the ECE budget proposal to the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions at their respective sessions in mid-2021. Their conclusions and recommendations therein will be transmitted to the GA at its seventy-sixth session in 2021 when it considers the Secretary-General’s proposed programme budget for 2022.

5. Annex I provides an extract from the draft ECE proposed programme budget for 2022 “Part II. Programme plan and programme performance information” (A/76/6(Sect.20) related to subprogramme 4. The programme plan contained in the annex was reviewed by the ECE Executive Committee.

## Annex

### **Subprogramme 4 Economic cooperation and integration**

#### **Objective**

- 20.101 The objective, to which this subprogramme contributes, is to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region.

#### **Strategy**

- 20.102 The strategy of the subprogramme is based on the implementation of three core interlinked functions in the subprogramme's two areas of work, i.e. Innovation and Competitiveness Policies, and Public-Private Partnerships (PPPs): international policy dialogue; normative and analytical work; and capacity-building and the sharing of best practices and lessons learned. The two areas of work are complementary. They both contribute to Sustainable Development Goals (SDGs) 8, 9, 12 and 17. Both areas of work also contribute to the ECE nexus areas on sustainable mobility and smart connectivity and on sustainable and smart cities for all ages.
- 20.103 To contribute to the objective in the first of the above two areas of work, i.e. innovation and competitiveness, the subprogramme will continue to support member States in creating a business climate that enables and rewards innovative solutions to sustainable development challenges. It will do so by: developing good practices on how innovation can advance sustainable development and how Governments can support this; on request advising Governments on innovation policy reforms based on analyses of national innovation systems, policies and institutions; and supporting innovation policy reforms by building capacity through workshops and seminars at the national and subregional levels.
- 20.104 To contribute to the objective in the second of the above two areas of work, i.e. public-private partnerships, the subprogramme will promote innovative ways of financing, building and managing infrastructure critical for sustainable development. It will do so by developing international guiding principles and standards on how to design regulatory frameworks for PPPs in various sectors and how to design partnership projects; developing a methodology to evaluate PPP projects on whether they contribute to sustainable development ("People-first" PPPs) and assessing projects on request; and providing policy advice and capacity-building to support member States in creating regulatory frameworks and partnership project pipelines to help to close the SDG infrastructure financing gap.
- 20.105 The subprogramme plans to support member States on issues related to COVID-19 by focusing some of its policy dialogues, policy analysis, policy recommendations and standards, and capacity building on the question how innovation policy and PPP projects can help to turn the crisis into opportunity by facilitating innovations and developing infrastructure that not only build back, but build a better, more resilient, sustainable and productive economy in the future.
- 20.106 The above-mentioned work is expected to result in a shared and improved understanding among member States:
- (a) on policy options to harness the power of innovation for sustainable development, and support national innovation policy reforms, in line with international good practice and ECE recommendations; and

(b) on how to design and operate public-private partnerships that contribute to sustainable development and will lead to more “People-first” projects (i.e. projects that not only deliver value

for money, but also are ecologically sustainable and socially inclusive), as well as in strengthened capacities for policy and project design and implementation.

20.107 The planned support on issues related to COVID-19 is expected to result in:

(a) new and better policies supporting innovation in areas critical for resilience and sustainability, and

(b) in better regulatory frameworks supporting investment in resilient and sustainable infrastructure.

**Programme performance in 2020**

20.108 Programme performance in 2020 includes the below result that emerged during 2020, as well as programme performance presented under results 1 and 2 below.

**The Government of Georgia’s renewed pathway to improve innovation support policies with a view to “building back better” post-COVID-19**

**Programme performance in 2020**

20.109 A key part of the work of the subprogramme consists of national Innovation for Sustainable Development Reviews developed at the request of member States. These Reviews analyse national innovation performance, systems, institutions and policies in light of international good practice as developed under the subprogramme, and provide tailored recommendations on how innovation policies can be improved. The subprogramme completed a review of Georgia and developed a shared understanding with the Government of Georgia of the strengths and weaknesses of current innovation performance and policies, and of policy options for improving innovation performance in pursuit of the country’s sustainable development priorities.

20.110 The subprogramme responded to the COVID-19 pandemic by expanding the assessments and recommendations of the Innovation for Sustainable Development Review of Georgia to provide additional recommendations to the Government of Georgia on options for strengthening innovation to build back better after the pandemic. These recommendations were based on additional analysis which the subprogramme carried out on the experience in the entire ECE region on this issue.

*Progress towards the attainment of the objective, and performance measure*

20.111 The above-mentioned work contributed to the objective, as demonstrated by the endorsement of findings and recommendations from the review by the ECE Team of Specialists on Innovation and Competitiveness Policies and the publication of the review (see table 20.7). The Team of Specialists is composed of experts nominated by Governments of the ECE member States.

Table 20.7

**Performance measure:**

<i>2018 (actual)</i>	<i>2019 (actual)</i>	<i>2020 (actual)</i>
Request received from the Government of Georgia for a national Innovation for Sustainable Development	Agreement with the requesting Government on the design of the review	ECE Team of Specialists endorse findings and recommendations from the review including options for strengthening innovation to

<i>2018 (actual)</i>	<i>2019 (actual)</i>	<i>2020 (actual)</i>
Review; agreement reached on the scope of the review		build back better after the pandemic

### **Impact of COVID-19 on subprogramme delivery**

- 20.112 Owing to the impact of COVID-19 during 2020, the subprogramme had to limit activities requiring travel resulting in fewer country missions and consultations facilitating policy reforms being carried out than originally envisaged and in turn member States undertook fewer policy reform measures than previously expected as specified under result 2 below.

### **Planned results for 2022**

- 20.113 The planned results for 2022 include results 1 and 2, which are updates of results presented in the preceding programme plans and therefore show both the programme performance in 2020 and the proposed programme plan for 2022. Result 3 is a new planned result.

### **Result 1: Innovation Policy Outlook for the effective analysis of innovation policies and institutions<sup>1</sup>**

#### **Programme performance in 2020**

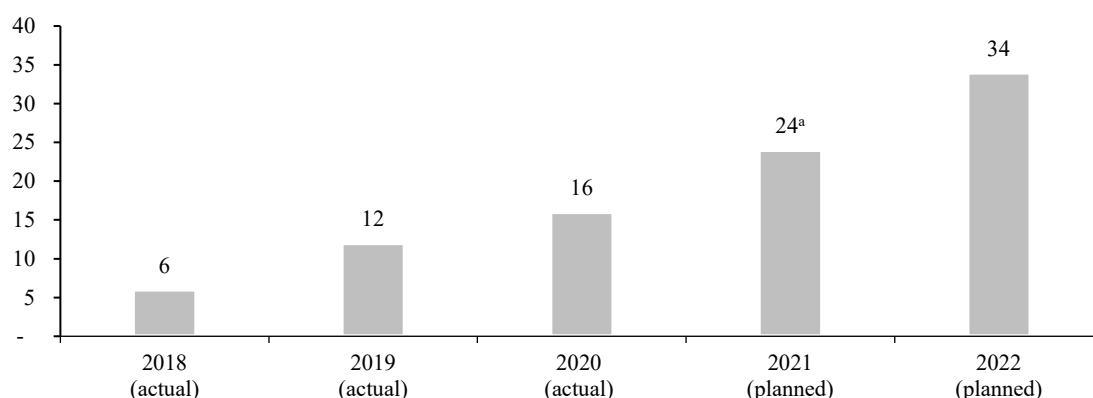
- 20.114 The subprogramme completed the sub-regional Innovation Policy Outlook for Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, and Ukraine. The findings and recommendations were endorsed by the subprogramme's inter-governmental process, and the Outlook was launched regionally and in the participating countries.
- 20.115 The above-mentioned work contributed to 4 additional policy measures undertaken by pilot project member States, which did not meet the target of 6 new policy measures reflected in the programme budget for 2020. This was due to the fact that the restrictions imposed in the course of the COVID-19 pandemic resulted in fewer country missions and consultations facilitating policy reforms than originally envisaged. Another contributing factor was that some Governments prioritized the immediate healthcare response to the pandemic and were not able to devote as much attention to innovation policy reform as had been expected when planning the above result.

#### **Proposed programme plan for 2022**

- 20.116 The subprogramme will continue the work related to the planned result, in line with its mandate. To contribute to further progress towards the objective, the subprogramme will continue to support participating member States in implementing national innovation policy reforms based on the recommendations from the sub-regional Innovation Policy Outlook. The expected progress is presented in the performance measure below (see figure 20.XI).

<sup>1</sup> As reflected in the proposed programme budget for 2020 (A/74/6 (Sect.20))

Figure 20.XI  
**Performance measure: total number of national innovation policy measures taken by pilot project member States (cumulative)**



<sup>a</sup> To maintain accountability for initial programme plans, the 2021 target is carried forward from the proposed programme budget for 2021 and reflects best estimates at that point in time before the COVID-19 pandemic. Programme performance for 2021 will be reported in the proposed programme budget for 2023

## **Result 2: People-first public-private partnerships to finance sustainable development<sup>2</sup>**

### **Programme performance in 2020**

- 20.117 The subprogramme has developed the first version of the evaluation methodology for People First PPPs (formerly called the PPP Project Impact Assessment tool), circulated it for public review among key PPP stakeholders, and incorporated the feedback received. The evaluation methodology is expected to provide member States with additional evidence on impact and performance of their infrastructure projects. Such evidence will assist member States to prioritize investments in infrastructure projects that support progress towards achieving the SDGs; and help mobilize private finance and innovation capabilities in SDG-compatible projects.
- 20.118 The above-mentioned work contributed to the ECE Working Party on PPPs welcoming the draft methodology and encouraging its dissemination and use during a pilot phase, which met the planned target for 2020 reflected in the proposed programme budget for 2021. The lessons from the pilot stage will be incorporated into the methodology for final approval in 2021.

### **Proposed programme plan for 2022**

- 20.119 The subprogramme will continue the work related to the planned result, in line with its mandate. To contribute to further progress towards the objective, the subprogramme will assess at least an

<sup>2</sup> As reflected in the proposed programme budget for 2021 (A/75/6 (Sect.20))

additional 50 PPP projects using the evaluation methodology for People First PPPs. The expected progress is presented in the performance measure below (see table 20.8).

Table 20.8

**Performance measure**

<i>2018 (actual)</i>	<i>2019 (actual)</i>	<i>2020 (actual)</i>	<i>2021 (planned)<sup>a</sup></i>	<i>2022 (planned)</i>
Member States agreed to set up a project team to develop a project impact assessment tool	The project team was set up and work on the project impact assessment tool commenced	Evaluation methodology endorsed by Member States for piloting	At least 100 public-private partnership projects assessed using the evaluation methodology	An additional 50 public-private partnership projects assessed using the evaluation methodology

<sup>a</sup> To maintain accountability for initial programme plans, the 2021 target is carried forward from the proposed programme budget for 2021 and reflects best estimates at that point in time before the COVID-19 pandemic. Programme performance for 2021 will be reported in the proposed programme budget for 2023

### **Result 3: Improved capacity of member States to use innovation to achieve their sustainable development objectives**

#### **Proposed programme plan for 2022**

- 20.120 Enhanced cooperation, knowledge sharing and capacity building on science, technology and innovation is one of the key means of implementation of the UN 2030 Agenda for Sustainable Development (SDG 17). The evidence collected by the subprogramme and by others shows clearly that economies differ greatly in their capacity to innovate, and Governments differ greatly in their capacity to provide adequate policy support.
- 20.121 The subprogramme has responded to this challenge by creating a broad network of innovation policy makers and other innovation stakeholders from across the ECE region who are sharing their knowledge on innovation policy through regular policy dialogues (contributing to SDG 17). Based on these exchanges of knowledge, the subprogramme has built up, and is continuously adding to, a collection of international good practices. On request, the subprogramme has been analysing the innovation systems, policies and performance of selected member States and has been benchmarking them against these international good practices. Based on these analyses (national Innovation for Sustainable Development Reviews, sub-regional Innovation Policy Outlook), the subprogramme has been assessing strengths and weaknesses of existing innovation policies and providing recommendations for policy improvements to the requesting Governments.
- Lessons learned and planned change*
- 20.122 The lesson for the subprogramme was that the medium-term impact of the programme could be improved with the provision of more capacity building support to Governments as a follow-up to each review to facilitate the implementation of specific recommendations for policy reforms contained in the reviews. In applying the lesson, the subprogramme will expand its capacity building support to requesting Governments in the follow-up to national reviews and sub-regional

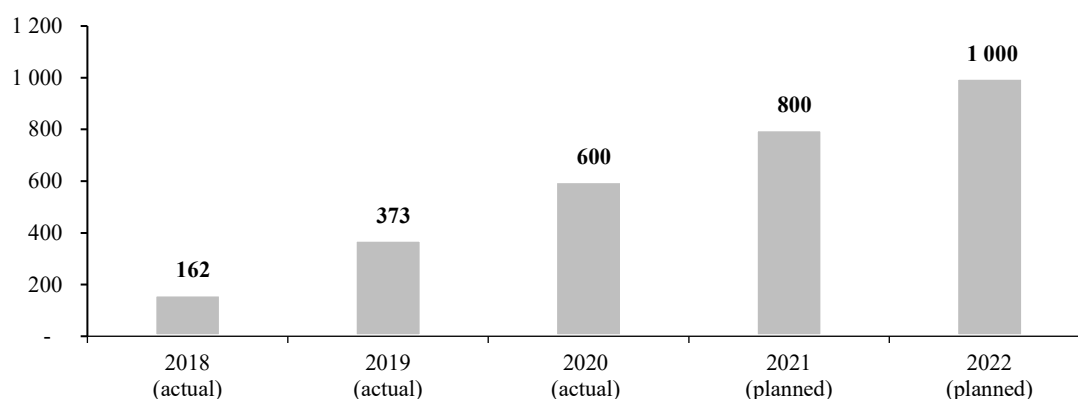
outlooks (contributing to SDG 17). Steps in this direction have already been taken in 2019-2020 in follow-up to a national review of Belarus.

*Expected progress towards the attainment of the objective, and performance measure*

- 20.123 This work is expected to contribute to the objective, as demonstrated by an increase of 200 policy makers and other innovation stakeholders from requesting countries benefitting from ECE capacity building on innovation policy (see figure 20.XII).

Figure 20.XII

**Performance measure: total number of policy makers and other innovation stakeholders from requesting countries that have benefitted from the Economic Commission of Europe's capacity building on innovation policy (cumulative)**



### Legislative mandates

- 20.124 The list below provides all mandates entrusted to the subprogramme

#### *General Assembly resolutions*

72/228 Science, technology and innovation for development

74/197 Information and communication technologies for sustainable development

#### *Economic Commission for Europe decisions*

E/ECE/1448 Economic Commission for Europe annual report (24 February 2006 – 27 April 2007)

### Deliverables

- 20.125 Table 20.9 lists all deliverables, by category and subcategory, for the period 2020–2022 that contributed and are expected to contribute to the attainment of the objective stated above.

Table 20.9

**Subprogramme 4: deliverables for the period 2020–2022, by category and subcategory**

Category and subcategory	2020		2021	2022
	planned	actual	planned	planned

#### **A. Facilitation of the intergovernmental process and expert bodies**



<i>Category and subcategory</i>	<i>2020 planned</i>	<i>2020 actual</i>	<i>2021 planned</i>	<i>2022 planned</i>
<b>Parliamentary documentation</b> (number of documents)	<b>18</b>	<b>12</b>	<b>18</b>	<b>18</b>
1. Documentation for the Committee on Innovation, Competitiveness and Public-Private Partnerships and its subsidiary bodies	18	12	18	18
<b>Substantive services for meetings</b> (number of three-hour meetings)	<b>19</b>	<b>13</b>	<b>19</b>	<b>19</b>
2. Meetings of the Committee on Innovation, Competitiveness and Public-Private Partnerships and its subsidiary bodies	18	12	18	18
3. Meetings of the Project Working Group on Knowledge-Based Development	1	1	1	1
<b>B. Generation and transfer of knowledge</b>				
<b>Field and technical cooperation projects</b> (number of projects)	<b>2</b>	<b>2</b>	<b>2</b>	<b>0</b>
4. Project on capacity-building for civil servants from countries of the Commonwealth of Independent States on innovation and competitiveness	1	1	1	0
5. Project on capacity-building for civil servants from countries of the Commonwealth of Independent States on public-private partnerships	1	1	1	0
<b>Seminars, workshops and training events</b> (number of days)	<b>24</b>	<b>15</b>	<b>16</b>	<b>16</b>
6. Capacity-building and policy advisory workshops, seminars and training on innovation and competitiveness policies for sustainable development	12	12	8	8
7. Capacity-building and policy advisory workshops, seminars and training on people-first public-private partnerships	12	3	8	8
<b>Publications</b> (number of publications)	<b>3</b>	<b>2</b>	<b>3</b>	<b>3</b>
8. Publication on Innovation for Sustainable Development Reviews	1	1	1	1
9. Publication on comparative reviews on innovation policy and/or public-private partnership readiness	2	1	2	2
<b>C. Substantive deliverables</b>				
<b>Consultation, advice and advocacy:</b> advisory services under the Working Party on Public-Private Partnership and the Team of Specialists on Innovation and Competitiveness Policies reaching 30 Government ministries and agencies and stakeholder entities.				
<b>Fact-finding, monitoring and investigation missions:</b> preparatory and fact-finding missions for Innovation for Sustainable Development Reviews and public-private partnership needs assessments in 3 member States.				
<b>Databases and substantive digital materials:</b> database of infrastructure PPP projects certified and evaluated according to ECE's people-first PPP methodology from approximately 15 member States.				
<b>D. Communication deliverables</b>				

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<i>Category and subcategory</i>	<i>2020 planned</i>	<i>2020 actual</i>	<i>2021 planned</i>	<i>2022 planned</i>
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**External and media relations:** press releases and launch events for the above publications for regional, sub-regional and national access.

**Digital platforms and multimedia content:** update and maintenance of the subprogramme's website for regional access.

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