

Publication and policy dialogue on new innovation policy for transition economies

Background

UNECE has extensively worked with the transition economies of Eastern Europe and the South Caucasus and Central Asia to support governments in the successful use of innovation policy for increased economic competitiveness and sustainable development.

The socio-economic challenges, opportunities, and institutional legacy among these transition economies share distinct features of innovation policy governance, innovative entrepreneurship support, investment in innovation, industrial policy, as well as demand and supply side tools of innovation policy more broadly. Persistent underinvestment in innovation, especially in the private sector, coupled with fiscal constraints, especially after COVID-19, call for a strategic reorientation of the role of innovation governance, with stronger focus on effective, targeted, and potentially catalytic interventions that aim to make sure experimentation with ideas to see what works and what does not becomes more and more systematic.

Publication on new innovation policy

Building on its work under the UN Special Programme for Economies of Central Asia (SPECA), in particular the SPECA Innovation Strategy for Sustainable Development and the corresponding Action Plan; the Innovation for Sustainable Development Reviews of Armenia (ongoing), Kyrgyzstan (2019), Moldova (2021), Tajikistan (2015) and Uzbekistan (ongoing); the ongoing work on innovative high-growth enterprises; and other activities¹ aiming to strengthen innovation policies in SPECA countries, including the sub-regional science, technology and innovation (STI) gap analysis and the handbook on business incubators, UNECE will develop a publication on new innovation policy for transition economies.

The publication will propose a novel framework for thinking about governance – new innovation policy. Based on ideas such as new industrial policy, growth diagnostics, product space, and the growth identification and facilitation framework, it outlines the principles and means for targeting public support towards defraying the risk of innovation and playing a catalytic role. From this perspective, the publication will explore the lessons learned, the challenges and perspectives from a transition context and develop recommendations to ensure public sector interventions have a catalytic effect on innovative development in transition economies, promoting systematic experimentation and allowing for the emergence and scale up of new ideas.

Policy dialogue on new innovation policy

The findings of the publication would be presented and discussed with the stakeholders from the region at a regional policy dialogue event in Moscow in Q1 2022. The event will involve leading international experts and aim to share best practices on cross-cutting policy approaches with targeted, complementary action in the areas of innovation policy, industrial policy, innovation-enhancing public procurement, investment policy, specific support to innovative high-growth enterprises, the role of incubators and related mechanisms, and diaspora engagement.

¹ United Nations Development Account project “Strengthening innovation policies for SPECA countries in support of the 2030 Agenda for Sustainable Development”



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