

ECONOMIC COMMISSION FOR EUROPE

EXECUTIVE COMMITTEE

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Geneva, 16 December 2021

Item 13

Informal Document No. **2021/40**

Extrabudgetary project

**Reinforcing the innovation ecosystem in the UNECE region
to promote innovation and digital technologies for sustainable development
and for the circular economy transition**

Project title and project number: Reinforcing the innovation ecosystem in the UNECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition

Expected timing/ duration: January 2022 – July 2025

Objective and brief summary of the project:

The objective of the project is to build the capacities of the UNECE Member States to play a productive role in building innovation ecosystems that can harness innovation and digital technologies for sustainable development, in particular, for the circular economy transition. This should enable innovation to act as a driver of progress towards achievement of SDGs 9, 12, 13 and 17 in the UNECE region. The project will build on existing UNECE work in the area of innovation for sustainable development, including the intergovernmental policy dialogue through ToS-ICP and CICPPP on innovation for sustainable development; national Innovation for Sustainable Development Reviews (I4SDRs), the sub-regional Innovation Policy Outlook (IPO) and subsequent support for policy makers in putting recommendations into practice and monitoring results. The project addresses a series of challenges facing policy makers and innovation agencies dealing with disruptive innovation and offering direct support across the ECE region. These include analysing the emergence of disruptive innovation, understanding, and building innovation systems; developing the institutions and processes able to ensure that funding is catalytic and effective; monitoring and evaluating and learning from development and implementation of policies; and forging a better understanding of opportunities and challenges through systematic forecasting of market opportunities for innovation. A central element of the project is developing the structure and content for a portal on disruptive innovation, with a user-friendly interface that will enable innovation agencies and innovators to analyse historical disruptive innovations and, based on that, identify trends and emerging innovation ecosystems. In addition, the database is intended to provide a basis for reviewing existing innovations for their potential and thus also gain insights for the flagship publication. A flagship publication will serve to develop a long-term view of the potential of disruptive innovation and digitalization for sustainable development and the circular economy, stressing, in particular the importance of a productive, holistic role for government. Complementing the flagship publication, the project foresees policy dialogues, on-line communication tools, and training curricula for policy makers and practitioners aimed at building agencies that are effective in promoting innovation by: i) fostering and financing innovative initiatives and ii) using tools and processes for systematic innovation forecasting and market scouting. The objective of the project will be achieved by implementing the following activities:

Develop structure and content for an online portal on disruptive innovation helping policy makers and other stakeholders to analyse potential and to predict future innovation trends and ecosystems

A1.1. Develop a database structure that maps the emergence of individual innovations and innovation ecosystems and for sharing of curated information to facilitate knowledge exchange;

A1.2. Populating the database with comprehensive information on the emergence of innovations and the economic, social, and environmental impact;

A1.3. Develop an intuitive user interface to enable innovation agencies and policymakers to easily use the database;

Flagship publication on the potential for and policy responses to promote innovation and digitalization for sustainable development and the circular economy

A2.1. Establish the project network to guide the research process;

A2.2. Develop the publication on innovation and digitalization based on agreed outline;

A2.3. Launch the publication through a series of policy dialogue and outreach sessions (4-6 events);

A2.4. Dissemination of the publication, including through press articles as well as podcasts and videos in the series Innovation Matters;

Policy dialogue, trainings, and digital tools for policy makers working on innovation, addressing topics related to fostering and financing innovative initiatives in the UNECE countries

A3.1. Launch a dedicated project network linked to ToS-ICP of policy makers and experts from UNECE countries dealing with innovation;

A3.2. Development of policy principles on innovation for sustainable development, in particular focussing on the design of institutions and processes for vertical policies (targeted support) to be effective and catalytic and on the potential of using public procurement to enable and promote innovation through various mechanisms;

A3.3. Organise quarterly policy dialogue sessions with the network (virtual and, once a year, physical together with study tours) covering topics agreed with the network;

A3.4. Set up an online forum for network members to exchange studies and experiences, comment on publications, and propose topics for policy dialogue sessions;

A3.5. Develop a handbook and a digital training platform based on the policy principles to guide disruptive innovation agencies in the UNECE region, with training curricular, case studies, and a discussion forum;

Policy dialogue, digital platform, and trainings among ECE agencies working on innovation, addressing topics related to innovation forecasting and market scouting

A4.1. Prepare an interactive, digital policy handbook on innovation forecasting;
 A4.2. Prepare and roll out a series of on-line trainings on this topic (3-4 modules);
 A4.3. Agree and develop an online tool for innovation forecasting (with clear focus on specific topics, technologies, and markets to ensure usefulness and impact), to be integrated into the digital platform.

Expected results of the project:

EA1. Strengthen understanding among policy makers and stakeholders in UNECE member States of the potential of and a productive role for government to promote disruptive innovation and digitalization for sustainable development and the circular economy transition;
 EA2. Strengthen capacities among UNECE member States to enable and promote, including through direct financing mechanisms, disruptive innovation for sustainable development and the circular economy transition;
 EA3. Strengthen capacities among UNECE member States to implement tools and processes for systematic and iterative disruptive innovation forecasting and market scouting to detect opportunities and constraints that can be addressed through targeted interventions.

Target group and beneficiaries of the project:

The target group are policy makers, experts and government officials tasked with enabling and promoting innovation, in particular digital technologies and innovation, and from related policy areas such as public procurement, environmental regulation, circular economy, and small and medium-sized enterprises promotion working on mainstreaming innovation. Leading subject-matter experts, international organisations, and civil society will be invited to contribute to outputs depending on the subject matter systematically. Beneficiary countries are UNECE member States.

Justification of project and its relationship to the programme of work:

The project also directly contributes to the objective of the Subprogramme 4 “Economic Cooperation and Integration” “to strengthen policies on innovation, competitiveness and public-private partnerships in the ECE region” objective of the UNECE proposed programme budget for 2022. Given the important role of innovation to drive sustainable development and the circular economy transition, the project responds to the decision of ECE member States at the sixty-ninth Commission Session (E/2021/37 and E/ECE/1494) to promote circular economy and sustainable use of natural resources in the UNECE region.

Estimated UN regular budget resources (work months of RB staff/level of Staff):

1.5 month of RB/P5, 1.5 month of RB/P4, 1.5 month of RB/G5

Estimated extra budgetary resources:

Donor
Germany

Amount (EURO) 1,998,600

Project Manager:

Anders Jönsson

22.11.2021

Section/Division:

Innovative Policies Development Section/ Economic Cooperation and Trade Division

Cleared by Programme Management Unit:

Nicolas Dath-Baron
Chief, ai

22.11.2021

Approved by EXCOM¹

16.12.2021

¹ See paragraph 31 (a) of Commission decision A(65).

Annex
Results-based budget for the extra-budgetary project

Expected Accomplishments	Planned activities	Estimated costs (EURO)
EA1. Strengthen understanding among policy makers and stakeholders in UNECE member States of the potential of and a productive role for government to promote disruptive innovation and digitalization for sustainable development and the circular economy transition.	A1.1. Develop structure and content for a portal on disruptive innovation helping policy makers and other stakeholders to analyze potential and to predict future innovation trends and ecosystems P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the inception period and project implementation x 6 months x Euro 11,500 Senior consultant to develop content x2 months x Euro 8,000 Travel of staff (also for coordination meetings) x 12 missions x 3 staff x Euro 1,500 Travel of experts x 2 missions x 3 experts x Euro 1,500	192,000 28,000 69,000 32,000 54,000 9,000
	A1.2. Filling the database with comprehensive information on the emergence of innovations and the economic, social, and environmental impact P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Senior consultant to develop content x6 months x Euro 8,000 Individual contractor to provide technical support x2 months x Euro 5,000 Travel of staff x 3 missions x 3 staff x Euro 1,500 Travel of experts x2 missions x 3 experts x Euro 1,500	147,500 28,000 23,000 64,000 10,000 13,500 9,000
	A1.3. Develop an intuitive user interface to enable innovation agencies and policymakers to easily use the database P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Senior consultant to develop content x4 months x Euro 8,000 Travel of staff x 3 missions x 3 staff x Euro 1,500 Travel of experts x 2 missions x 3 experts x Euro 1,500	105,500 28,000 23,000 32,000 13,500 9,000
	A2.1. Establish a project network to guide the research process P3 staff to provide senior guidance on the content development x 1 month's x Euro 14,000 P2 staff to coordinate the project implementation x 1 month's x Euro 11,500 Travel of staff x 6 missions x 3 staff x Euro 1,500 Travel of experts x 6 missions x 3 experts x Euro 1,500 Communications expert x 1 month x Euro 5,000	84,500 14,000 11,500 27,000 27,000 5,000
	A2.2. Develop the publication based on agreed outline P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Senior consultants to develop the handbook 4 x 3 months x Euro 8,000 Travel of staff x 3 missions x 3 staff x Euro 1,500 Travel of experts x 3 missions x 3 experts x Euro 1,500 Contractual services (simultaneous interpretation, editing, design, layout, translation, and printing of the report)	163,500 14,000 11,500 96,000 13,500 13,500 15,000
	A2.3. Launch the publication through a series of policy dialogue and outreach sessions P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Travel of staff x 3 missions x 3 staff x Euro 1,500 Travel of experts x3 missions x 3 experts x Euro 1,500	54,000 23,000 13,500 13,500

Expected Accomplishments	Planned activities	Estimated costs (EURO)
	Operating and other cost (support organization of the meetings, including conference room rental, etc.) Contractual services (simultaneous interpretation, editing, design, layout, translation, and printing of the report)	2,000 2,000
	A2.4. Dissemination of the publication, including through press articles as well as podcasts and videos in the series Innovation Matters P3 staff to provide senior guidance on the content development x 1 month's x Euro 14,000 P2 staff to coordinate the project implementation x 1 month's x Euro 11,500 Senior consultants to prepare and moderate Innovation Matters podcasts, prepare press articles 2 consultants x 5 months each x Euro 6,500 Travel of staff x 2 missions x 2 staff x Euro 1,500 Travel of experts x 2 missions x 2 experts x Euro 1,500 Operating and other cost (support organization of the meetings, including conference room rental, etc.) Contractual services (editing, design, layout, translation, and printing of the report)	119,500 14,000 11,500 65,000 6,000 6,000 2,000 15,000
EA2. Strengthen capacities among UNECE member States to enable and promote, including through direct financing mechanisms, disruptive innovation for sustainable development and the circular economy transition.	A3.1. Launch a dedicated project network linked to ToS-ICP of policy makers and experts from UNECE countries dealing with innovation P3 staff to provide senior guidance on the platform and engage delegates x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Travel of staff x 4 missions x 3 staff x Euro 1,500 for physical launch in Berlin Travel of experts x4 missions x 10 experts x Euro 1,500 Operating and other cost (support organization of the meetings, including conference room rental, etc) Contractual services (simultaneous interpretation, editing, design, layout, translation, and printing of the report)	133,000 28,000 23,000 18,000 60,000 2,000 2,000
	A3.2. Further development of policy principles on innovation for sustainable development, in particular focusing on the design of institutions and processes for vertical policies (targeted support) to be effective and catalytic and on the potential of using public procurement to enable and promote innovation through various mechanisms P3 staff to provide senior guidance on the content development x 1 month's x Euro 14,000 P2 staff to coordinate the project implementation x 1 month's x Euro 11,500 Senior consultant to develop content x 2 months x Euro 8,000 Individual contractor to provide technical support x 2 months x Euro 5,000 Travel of staff x 2 missions x 3 staff x Euro 1,500 Travel of experts x 2 missions x 3 experts x Euro 1,500	69,500 14,000 11,500 16,000 10,000 9,000 9,000
	A3.3. Organize quarterly policy dialogue sessions with the network (virtual and, once a year, physical together with study tours) covering topics agreed with the network P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Individual contractor to provide technical support x 4 months x Euro 5,000 Travel of staff x 3 missions x 3 staff x Euro 1,500	162,000 28,000 23,000 20,000 13,500

Expected Accomplishments	Planned activities	Estimated costs (EURO)
	Travel of experts x 3 missions x 15 experts x Euro 1,500 Operating and other cost (support organization of the meetings, including conference room rental, etc.)	67,500 10,000
	A3.4. Set up an online forum for network members to exchange studies and experiences, comment on publications, and propose topics for policy dialogue sessions P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Consultant (IT developer) to develop forum and provide technical support x 1 consultant x 3 months x Euro 8,000	75,000 28,000 23,000 24,000
	A3.5. Develop a handbook and a digital training platform based on the policy principles to guide disruptive innovation agencies in the UNECE region, with training curricular, case studies, and a discussion forum P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Senior consultant to develop content x 1 consultant x 2 months x Euro 8,000 Communications consultant to prepare layout x 1 consultant x 1 month x Euro 5,000	72,000 28,000 23,000 16,000 5,000
EA3. Strengthen capacities among ECE member States to put into practice tools and processes for systematic and iterative disruptive innovation forecasting and market scouting to detect opportunities and constraints that can be addressed through targeted interventions. can be addressed through targeted interventions.	A4.1. Prepare an interactive, digital policy handbook on innovation forecasting P3 staff to provide senior guidance on the content development x 3 months x Euro 14,000 P2 staff to coordinate the project implementation x1 month x Euro 11,500 Senior consultant to develop the handbook x 1consultant x 3 months x Euro 8,000 Technical consultant to develop digital content based on the handbook	93,500 42,000 11,500 24,000 16,000
	A4.2. Prepare and roll out a series of on-line trainings on this topic P3 staff to provide senior guidance on the content development x 2 months x Euro 14,000 P2 staff to coordinate the project implementation x 2 months x Euro 11,500 Travel of staff x 4 missions x 4 staff x Euro 1,500 Operating and other cost (support organization of the meetings, including conference room rental, etc.) Contractual services (simultaneous interpretation, editing, design, layout, translation, and printing of the report)	91,000 28,000 23,000 24,000 10,000 6,000
	A4.3. Agree and develop an online tool for innovation forecasting (with clear focus on specific topics, technologies, and markets to ensure usefulness and impact), to be integrated into the digital platform P3 staff to provide senior guidance on the content development x 1 month x Euro 14,000 P2 staff to coordinate the project implementation x 1 month x Euro 11,500 Senior consultant to develop content x 1 consultant x 5 months x Euro 8,000 Technical consultant to develop and integrate the online tool x2x5 months x Euro 8,000 Travel of staff x 2 missions x 4 staff x Euro 1,500 Travel of experts x 2 missions x 4 experts x Euro 1,500	169,500 14,000 11,500 40,000 80,000 12,000 12,000
Budget summary		1,732,000
Evaluation		34,640
Budget summary		1,766,640
13% of Programme Support costs		229,663

Expected Accomplishments	Planned activities	Estimated costs (EURO)
1% levy		2,297
Total		1,998,600