



Economic Commission for Europe**Committee on Innovation, Competitiveness and Public-Private Partnerships****Fifteenth session**

Geneva (hybrid), 25-27 May 2022

Report of the Committee on Innovation, Competitiveness and Public-Private Partnerships on its fifteenth session**I. Overview**

1. The fifteenth session of the United Nations Economic Commission for Europe (ECE) Committee on Innovation, Competitiveness and Public-Private Partnerships was held from 25 to 27 May 2022.
2. The Chair of the Committee welcomed the participants and noted the key role that innovation and Public-Private Partnerships (PPPs) will need to play for countries to recover better from COVID-19.
3. In her opening remarks, the Executive Secretary of the ECE highlighted the importance of innovation and PPPs for member States to achieve economic development, environmental sustainability and social inclusiveness by 2030. The Executive Secretary stressed the relevance of the Committee's deliberations and stated that the Committee would also contribute to the implementation of several cross-cutting priorities of the ECE. The 69th session of ECE held in April 2021 called on all subsidiary bodies to work on the transition to a circular economy and the sustainable use of natural resources. The 70th session to be held in 2023 will focus on digital and green transformations for sustainable development in the ECE region. The Executive Secretary called on the Committee to make its expertise available to member States in the pursuit of these priorities.

II. Attendance

4. A total of 168 participants attended the meeting. The session was attended by representatives from the following ECE member States: Austria, Albania, Armenia, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, France, Georgia, Germany, Greece, Israel, Italy, Kyrgyzstan, Moldova, Portugal, Russian Federation, Slovenia, Tajikistan, Turkey, Ukraine, United Kingdom, United States and Uzbekistan.
5. The session was attended by representatives of the European Union.
6. The following specialized agencies in the United Nations system were represented: the United Nations Economic Commission for Latin America and the Caribbean (ECLAC), the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP).

7. Other organizations (local authorities, academic institutions, international organisations outside the UN system, non-governmental organisations and private sector entities) participated at the invitation of the secretariat.

III. Adoption of the agenda (Agenda item 1)

Documentation:

Annotated provisional agenda (ECE/CECI/2022/1).

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The Committee adopted the agenda for its fifteenth session (ECE/CECI/2022/1).

IV. Election of officers (Agenda item 2)

8. Ms. Sedef Yavuz Noyan (Turkey) completed two consecutive terms of office as Chair (from 2018 to 2021) and Vice-Chair of the Committee (from 2021 to 2022).

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The Committee elected Mr. Mehmet Uzunkaya (Turkey) as Vice-Chair for a two-year term. The Committee thanked Ms. Sedef Yavuz Noyan (Turkey) for her services as Chair and Vice-Chair.

V. Substantive segment: Unlocking the potential of procurement and Public-Private Partnerships to boost the innovation needed for the 2030 Agenda and the circular economy transition (Agenda item 3)

9. In the substantive segment under agenda item 3, the Committee held an international policy dialogue to exchange experience on selected issues of mutual interest in the areas of Innovation, Competitiveness and PPPs. The Chairperson's summary of the discussions is presented in Annex I.

10. The Committee thanked the speakers and participants for their contributions to the discussion on unlocking the potential of procurement and Public-Private Partnerships (PPPs) to boost innovation needed for the 2030 Agenda and the circular economy transition.

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The Committee took note of the timely discussions under the substantive segment and invited the secretariat to make use of them in implementing the programme of work.

VI. Implementation of the programme of work (Agenda item 4)

A. Team of Specialists on Innovation and Competitiveness Policies (Agenda item 4(a))

Documentation:

Report of the Team of Specialists on Innovation and Competitiveness Policies on its thirteenth session (ECE/CECI/ICP/2021/2)

Leveraging Innovation for the Circular Economy (ECE/CECI/2022/3)

11. The Chair drew the attention of the Committee to the Report of the thirteenth session of the Team of Specialists on Innovation and Competitiveness Policies (ECE/CECI/ICP/2021/2).

12. The secretariat briefed delegates on the work undertaken by the Team of Specialists on Innovation and Competitiveness Policies (TOS-ICP) since the previous session in 2021 and referred delegates to the report of the Team's thirteenth session (ECE/CECI/ICP/2021/2).

International policy dialogue

13. As part of the Team's thirteenth session on 1 November 2021, an international policy dialogue was held on the topic "Leveraging Innovation for the Circular Economy", where the discussion highlighted good practices on the Circular Economy across the ECE region with a focus on national innovation and Circular Economy strategies and roadmaps and support mechanisms for the private sector, particularly Small and Medium-sized Enterprises (SMEs). The lessons and good practices identified in the policy dialogue were presented to the Committee for endorsement (ECE/CECI/2022/3).

Innovation for Sustainable Development Reviews

14. The Innovation for Sustainable Development Review of Moldova was completed and issued as an official UN publication in December 2021. Its key findings and recommendations were presented to and endorsed by the Government during a dedicated meeting on 16 December 2021. The representative of the Government of Moldova from the Ministry of Education and Research expressed their gratitude to the secretariat for the analytical work and concrete and practical recommendations provided in the Review, and also the sub-regional Innovation Policy Outlook, in which Moldova had also participated. Some of those recommendations had already served as impetus for policy reform, such as the introduction of innovation vouchers, projects to support young researchers, and improvements of the national innovation infrastructure.

15. The Innovation for Sustainable Development Review of Uzbekistan was completed and issued as an official UN publication in March 2022.

16. Following the interest expressed by the representative of Ukraine during the Committee session in 2021, the work on an Innovation for Sustainable Development Review of Ukraine was launched in January 2022 using extrabudgetary funding from the Swedish International Development Agency (SIDA). Due to the security situation in Ukraine starting from 24 February 2022, the work on the Review was paused until the stabilisation of the situation.

17. Work on an Innovation for Sustainable Development Review of Armenia was ongoing.

Innovation Policy Outlook

18. Following the publication of the Sub-regional Innovation Policy Outlook 2020: Eastern Europe and South Caucasus (IPO) in March 2021, its findings and policy recommendations were presented to participating Governments at a high-level online launch event and at six national launch events.

19. The secretariat informed delegates of plans to begin work on an interim Sub-regional Innovation Policy Outlook and relevant follow-up activities to the IPO 2020 in close cooperation with participating Governments.

Innovation Policy Principles

20. Following the mandate given to TOS-ICP by the Committee, the ECE Task Force on Innovation Policy Principles developed an initial draft of high-level policy principles. In accordance with the Terms of Reference of the Task Force, the secretariat would initiate a wider consultation process to review and refine the draft. The secretariat also invited further members to join the Task Force with a view to discussing possible ways to operationalize the high-level principles, such as by developing more in-depth commentary complementing the high-level principles.

Special Programme for the Economies of Central Asia (SPECA)

21. The second session of the SPECA Working Group on Innovation and Technology for Sustainable Development was organized together with the UN Economic and Social Commission for Asia and the Pacific (ESCAP) on 21 October 2021, chaired by the

Government of Kyrgyzstan, and held alongside a sub-regional webinar on Innovation for Sustainable Development. ESCAP would be leading the organization of the next session of the Working Group with the host country to be determined through diplomatic channels.

22. A sub-regional webinar on Innovation for Sustainable Development was organized in connection with the Working Group's second session on 20 October 2021. The webinar focused on discussing the draft Action Plan for the implementation of the SPECA Innovation Strategy for Sustainable Development, adopted in 2019. In addition, the main findings and recommendations of the ECE Handbook on "Business Incubators for Sustainable Development in the SPECA Sub-Region" were presented at the webinar. The Handbook was produced under the UNDA project "Strengthening innovation policies for SPECA countries in support of the 2030 Agenda for Sustainable Development" (2020-2023) and issued as an official UN publication in English and Russian in October 2021.

23. Subsequently to the discussions at the above webinar, the Working Group on Innovation and Technology for Sustainable Development approved the Action Plan of the SPECA Strategy on Innovation for Sustainable Development for submission to the SPECA Governing Council. The chair of the Working Group, the Government of Kyrgyzstan, thanked the secretariat for its ongoing support to the development of the national innovation ecosystem, including a dedicated capacity building event following the Innovation for Sustainable Development Review of Kyrgyzstan.

24. Following its adoption by the Working Group, the Action Plan for the Implementation of the SPECA Innovation Strategy for Sustainable Development was approved by the SPECA Governing Council at its 16th session, held in Tashkent, Uzbekistan, on 19 November 2021. The Governing Council also approved the workplan of the Working Group on Innovation and Technology for Sustainable Development for 2022-2023.

National and subregional capacity building

25. During the reporting period, the following capacity building activities were organised by the ECE secretariat for beneficiary countries:

(a) A capacity building programme for Kyrgyzstan to develop a Roadmap for Development of the Innovation Ecosystem of Kyrgyzstan with two meetings of a dedicated task force held in June and September 2021 to discuss and agree on the structure and the measures. The Roadmap was finalized in October 2021 and shared with the main beneficiary – the State Agency of Intellectual Property and Innovation of Kyrgyzstan, Kyrgyzpatent, as well as other stakeholders participating in the task force;

(b) A Handbook on "Innovation-enhancing Procurement for Georgia" in follow-up to the Innovation for Sustainable Development Review of Georgia to support the Government in using innovation procurement to promote innovation. A study tour of Georgian officials is planned for 2022;

(c) A Handbook on "Supporting Innovative High-Growth Enterprises in Eastern Europe and the South Caucasus", issued as an official UN publication in August 2021. The Handbook reflects the contents of a sub-regional capacity building programme held earlier in 2021 and provides a reference resource for policy makers in the sub-region;

(d) A Handbook on "Supporting the Innovative High-Growth Enterprises in the SPECA Sub-Region" (forthcoming) and an accompanying online policy dialogue on "Challenges and opportunities to support innovative high-growth enterprises in the SPECA countries" to present and discuss the outline and the preliminary findings of the Handbook on 23 December 2021. A series of online trainings in 2022 are planned based on the Handbook. These activities have been carried out under the RPTC project "Enhancing the capacity of the SPECA countries to design, implement and monitor effective policies to support innovative high-growth enterprises to drive post-COVID 19 recovery and progress towards the circular economy";

(e) Pilot episodes of the new podcast series "Innovation Matters".

(f) As a follow up to the Innovation for Sustainable Development Review of Moldova and in order to support the implementation of the recommendations, a capacity building programme agreed with the Ministry of Education and Research. It will focus on

enhancing innovation and technology transfer through assistance in the development of a dedicated Roadmap to be finalized by end of 2022.

26. The Committee expressed its appreciation for the useful and concrete work of the Team of Specialists on Innovation and Competitiveness Policies and thanked the experts and the donors for their in-kind and financial contributions.

Decision 2022 – 4a.1

The Committee expressed its satisfaction with the work of the Team of Specialists on Innovation and Competitiveness Policies as described in the report of the Team’s 13th session (ECE/CECI/ICP/2021/2) and welcomed the election of the Team’s new Bureau members.

Decision 2022 – 4a.2

The Committee endorsed the policy recommendations on “Leveraging Innovation for the Circular Economy” (ECE/CECI/2022/3) and requested the secretariat to electronically disseminate them and to make use of their conclusions in future capacity-building activities and policy advisory work, including in the context of the UNDA project “Accelerating the transition towards a Circular Economy in the ECE region”.

Decision 2022 – 4a.3

The Committee welcomed the recent publication of the Innovation for Sustainable Development Reviews of Moldova and Uzbekistan, with recommendations that provide a solid basis for policy reforms and capacity building activities to support innovation for sustainable development. The Committee also welcomed the initiation of the national Innovation for Sustainable Development Reviews of Armenia and Ukraine.

Decision 2022 – 4a.4

The Committee welcomed innovation policy reforms undertaken in, inter alia, Kyrgyzstan, Georgia, and Moldova; and encouraged the Governments of other member States which have undertaken ECE innovation reviews to provide the Committee with updates on progress with innovation policy reform as appropriate.

Decision 2022 – 4a.5

The Committee welcomed the progress made by the SPECA Working Group on Innovation and Technology for Sustainable Development in support of the SPECA Innovation for Sustainable Development Strategy, notably the Handbook on Business Incubators for Sustainable Development in the SPECA Sub-Region issued as an official UN publication in 2021. The Committee also welcomed the work on the two forthcoming ECE policy Handbooks on: “Supporting Innovative High-Growth Enterprises in the SPECA Sub-Region”; and on “New Innovation Policy for Transition Economies in the SPECA Sub-Region”. The Committee requested that these two Handbooks be issued as official UN publications.

Decision 2022 – 4a.6

The Committee welcomed the policy advisory and capacity building work carried out by the Team of Specialists. In particular, the Committee welcomed the capacity building programme for Georgia on innovation-enhancing procurement, agreed with the government to follow-up on the recommendations of the Innovation for Sustainable Development Review of Georgia. Specifically, the Committee welcomed the Handbook on Innovation-enhancing Procurement for Georgia, which is being translated into Georgian, and a possible upcoming study tour for Georgian officials. The Committee also welcomed the agreement reached with Moldova for a capacity building programme on innovation and technology transfer mechanisms, supporting efforts to put into practice a range of the recommendations made in the Innovation for Sustainable Development Review of Moldova.

Decision 2022 – 4a.7

The Committee welcomed the progress made on the development of High-Level Principles on Innovation Policies for Sustainable Development.

B. Working Party on Public-Private Partnerships (Agenda item 4(b))

Documentation:

Report of the Working Party on Public-Private Partnerships on its fifth session (ECE/CECI/WP/PPP/2021/2)

Standard on PPP/Concession Model Law (ECE/CECI/2022/4)

PPP Evaluation Methodology for the Sustainable Development Goals (ECE/CECI/WP/PPP/2021/3)

Rules of Procedure of the Working Party on Public-Private Partnerships (ECE/CECI/WP/PPP/2021/5/Rev.1)

27. The Chairperson drew the Committee's attention to the report of the Working Party on its fifth session (ECE/CECI/WP/2021/2). He asked the Bureau of the Working Party and the secretariat to provide a status report of the PPP work since the fourteenth session in June 2021. He also informed the Committee of a recent letter sent to the secretariat by the secretariat of the United Nations Commission on International Trade Law (UNCITRAL) on the draft standard on PPP/Concession model law.¹

28. The secretariat informed the Committee that the ECE PPP work continued to focus on the SDGs by promoting the five desirable outcomes through PPP standards, guiding principles, best practices and recommendations, and their voluntary use and implementation in countries.

Working Party session

29. The fifth session of the Working Party on Public-Private Partnerships was held on 29-30 November 2021 in a hybrid format. The policy discussion was dedicated to scaling up PPPs in sustainable infrastructure to reignite the Decade of Action for the SDGs, with panel discussions on the role of PPPs to develop green, inclusive, resilient and fiscally sustainable infrastructure, as well as their contribution to the circular economy. The Working Party also approved its own Rules of Procedure and endorsed the PPP Evaluation Methodology for the Sustainable Development Goals (Evaluation Methodology). It also advanced the work on the standard on PPP/Concession Model Law (Model Law), which has since been submitted to the Committee by the Bureau of the Working Party.

30. Regarding the continued use of the name "People-first PPPs for the SDGs", the secretariat referred to decision 2021 – 4.5 of the Working Party and informed the Committee that informal consultations with interested delegations in Geneva were held between February and May 2022, which led to the following emerging consensus to:

- i. Change the name to "PPP for the SDGs"; and
- ii. Progressively reissue the documents endorsed and adopted by the Committee and the Working Party on PPPs to reflect this change within the document quota allocated to the Economic Cooperation and Integration (ECI) subprogramme and without incurring additional costs.

International PPP Forum

31. The sixth edition of the ECE International PPP Forum was held in Barcelona, Spain on 4-6 May 2022, co-organised by the ECE with IESE Business School, and with the support of the Barcelona City Council. The Forum addressed a number of current and emerging challenges and opportunities at both national and city level, such as climate change, the circular economy, digital transformation, green and sustainable PPP procurement, and the blue economy. The Forum also offered a platform to other stakeholders and partners to present their work in a series of side events.

32. Mainstreaming sustainable finance into the PPP work to address the ever-increasing investment gap to recover better from the COVID-19 pandemic was a key message by the Executive Secretary to participants and the leitmotif of the Forum. Blended finance to de-

¹ The secretariat sent a copy of the letter to all government delegates during the session.

risk investments and attract private capital into projects for harder-to-finance PPPs and infrastructure in transition economies, and the potential of impact investing, were also deemed important financing tools to accelerate the implementation of the 2030 Agenda.

33. As in previous editions, a highlight of the Forum was the presentation of 15 PPP projects from around the world. Each project was self-evaluated using the ECE Evaluation Methodology, and a number of discussants made comments and observations on the links between the projects, the five desirable ECE PPP outcomes and the SDGs.

34. The Forum attracted over 400 participants, with close to 200 experts participating in-person, and 140 speakers and panellists during 20 sessions over three days: 7 policy debates; 8 parallel sessions; 1 roundtable discussion; and 4 side events. Three site visits to operational PPP projects in the Barcelona area were organised by the Barcelona City Council for in-person participants.

Normative work

35. The secretariat informed the Committee that the Evaluation Methodology was finalised and endorsed by the Working Party in November 2021. The secretariat further informed the Committee that it was working on two mandated guidelines on PPPs and the circular economy, which after a peer reviewing process, are expected to be finalised in the coming months and submitted to the Working Party for decision at its sixth session in December 2022. This is in response to the call of the 69th session of ECE held in April 2021 on all subsidiary bodies to work on the transition to a circular economy and the sustainable use of natural resources.

36. The Bureau of the Working Party informed the Committee that work on the Model Law was concluded in April 2022 under the auspices of the Bureau in line with the Working Party decision and following a final round of consultations with the member States and other stakeholders between December 2021 and March 2022.

Capacity building activities and policy advisory services

37. During the reporting period, the following capacity building activities and policy advisory missions (in chronological order) were organised by the ECE secretariat:

(a) Ukraine: training webinar on ‘How to Design PPP Projects Aligned with the SDGs’, jointly organised with the Ministry for Development of Economy, Trade and Agriculture (25 May 2021);

(b) Turkey: a study visit for Kyrgyz government officials facilitated by the secretariat to learn about PPP institutional capacity at the “PPP Week” in Istanbul (6-10 December 2021);

(c) Ukraine: a webinar for PPP practitioners in Ukraine on the identification and preparation of PPP projects compliant with the SDGs jointly organised with the Ministry for Development of Economy, Trade and Agriculture (15 December 2021); and

(d) Spain: a capacity building event held in Barcelona for 7 countries – Armenia, Georgia, Kyrgyzstan, Moldova, Tajikistan, Ukraine and Uzbekistan – on PPP projects and programmes and their links to the SDGs (6 May 2022).

38. The representative of the United States commended the secretariat for its support in finding a solution on the change of name without incurring additional costs. Referring to the work on the Model Law, the representative remarked that this was the only instance in all of ECE subsidiary bodies, where the term “model law” is being used. Thus, he requested a clarification on whether the ECE has a mandate to develop a model law and referred to UNCITRAL, which he argued was created by the General Assembly as the core body in the UN working on model laws. He also referred to a letter on the Model Law by UNCITRAL to the ECE secretariat and stressed the importance for member States to receive it prior to making any final decision on the Model Law. Given these concerns, he stated that the United States was not in a position to support the adoption of a Model Law at this time.

39. The representative of Greece recalled that the draft Model Law had been discussed at several sessions of the Committee and of the Working Party for the past five years and noted

that it was the first time that questions on the mandate to develop a model law were being raised.

40. The representative of the European Union, speaking on behalf of the European Union and its Member States, thanked the drafting team and the Bureau for their efforts to find a consensus and finalise the Model Law in time for the Committee session. She also pointed out the fact that while the Model Law is a voluntary document, it is a standard that should be seriously considered as soft law to be adopted by the ECE. Additionally, she brought to light the timely improvements on the Model Law which is a very good basis going forward. However, she suggested to allow for additional time, especially as some of the comments on the Model Law were not fully addressed, including those from the European Commission. In this regard, she suggested that the Model Law be submitted for adoption to the Working Party in December 2022, clarifying how comments were addressed. On the mandate, she suggested that this could be clarified in the coming months before a decision is taken in December 2022. Finally, she thanked the secretariat and member States for the flexibility to find a consensus on the change of name.

41. The representative of Germany congratulated the experts for their efforts and work on the Model Law which, in his view, was one of the most work-intensive projects of the Working Party. However, he noted that not all the comments might have been reflected in the Model Law and suggested to prepare a comment log as it is the case at the public review stage for ECE standards. He also supported the European Union's proposal to give more time and follow the regular process to have the Model Law endorsed first by the Working Party before it is discussed at the Committee. Referring to the comment by the United States, he suggested to perhaps use a different term than 'law'.

42. The representative of Turkey recalled that several PPP standards had been adopted by the Committee as non-bidding documents, and that the Model Law also falls into such non-binding category. Furthermore, she objected to the prolongation of the process on the Model Law and requested the secretariat to clarify whether the ECE has a mandate to produce a Model Law. In the absence of such a mandate, she suggested as a last resort, to change the term 'model law'.

43. The representative of the European Union clarified that the European Union is not suggesting to revisit the document but to be allowed more time to understand how the comments on the Model Law were addressed. In this regard, she suggested that more details could be given to some of the stakeholders who commented on the Model Law. Finally, she supported the comment by the United States concerning the letter from UNCITRAL and stressed that member States should be made aware of it before taking any decision on the Model Law.

44. The representative of Turkey also requested the secretariat to share the letter from UNCITRAL with interested delegations. Regarding the proposal from the European Union on the need for clarification on how the comments on the Model Law were addressed, she expressed her disagreement as it would imply reopening the document.

45. The representative of the United States agreed on the need to delay any decision on the Model Law until the Working Party session in December 2022. He also added that, given the urgency and importance to swiftly work on PPPs, the Working Party could work on other pressing areas, such as rebuilding Ukraine or achieving gender equality where PPPs can be crucial, in parallel to the discussions on the Model Law.

46. The representative of Turkey asked for clarification from the European Union on whether the suggested delay on the Model Law was only procedural or if it meant that comments will be further reconsidered.

47. Speaking on behalf of the European Commission, the representative of the European Union stressed the importance to clarify how the comments from the European Commission were taken on board in the Model Law. She further clarified that, unless there is an agreement by the Bureau of the Working Party, the Model Law does not necessarily have to be revised substantially.

48. The representative of Turkey, in the spirit of compromise, agreed on delaying the decision on the Model Law until the next session of the Working Party, as long as no further substantive work is undertaken on this document.

49. The representative of the Russian Federation thanked the secretariat, as well as all participating experts for preparing the Model Law, and expressed deep regret that this document was not adopted during this session, noting the importance of completing work on the Model Law by December 2022 without further extension of the deadline. She also noted that all procedural steps in its development and completion were fully implemented, and all interested parties had the opportunity to submit their proposals within the agreed timeframe. She also added that the Russian Federation fundamentally supports the Model Law without lowering its status and considers it as a practical tool that could be used to stimulate private investment in order to finance the 2030 Agenda.

50. The Committee expressed its appreciation for the useful and concrete work of the Working Party and thanked the experts and the donors for their in-kind and financial contributions.

Decision 2022 – 4b.1

The Committee expressed its satisfaction with the work of the Working Party on PPPs and endorsed the report of its fifth session (ECE/CECI/WP/PPP/2021/2) held on 29-30 November 2021.

Decision 2022 – 4b.2

Regarding the continued use of the name “People-first PPPs for the SDGs”, the Committee took note of the results of the informal consultations conducted with interested delegations on this matter since the fifth session of the Working Party in November 2021, and decided to:

- i. Change the name to “PPP for the SDGs”; and
- ii. Progressively reissue the documents endorsed and adopted by the Committee and the Working Party on PPPs to reflect i. above within the document quota allocated to the ECI subprogramme and without incurring additional costs.²

The Committee requested the secretariat to reissue three core documents³ within twelve months, and the rest of the documents within three years. The Committee requested the Bureau of the Working Party on PPPs to decide on which non-core documents should be prioritised during this period.

Decision 2022 – 4b.3

The Committee approved the PPP Evaluation Methodology for the SDGs (ECE/CECI/WP/PPP/2021/3) and recommended its voluntary implementation by member States in its self-assessment form. It also requested the secretariat to support its implementation through demand-driven capacity building and policy advisory services to ECE member States.

Decision 2022 – 4b.4

The Committee took note of the standard on PPP/Concession Model Law (ECE/CECI/2022/4) and requested the Bureau of the Working Party, without revisiting the document, to clarify issues related to the comments by the interested parties and stakeholders as well as issues related to the mandate for document ECE/CECI/2022/4. The Committee requested the Bureau to resubmit the document to the Working Party at its sixth session for decision in line with Decision 2022 – 4b.2. The Committee also decided that unless the

² A consensus on the name-change and the progressive reissuing of documents was reached during open ended consultations with interested delegations held in Geneva on 11 May 2022.

³ The three core documents are: Guiding Principles on People-first PPPs for the SDGs (ECE/CECI/2019/5); Introduction to People-first PPPs in support of the UN SDGs (ECE/CECI/2019/6); and the People-first PPP Evaluation Methodology for the SDGs (ECE/CECI/WP/PPP/2021/3).

document is endorsed by the Working Party at its sixth session, no further work shall be undertaken on this document.

The Working Party will discuss and decide by December 2022 on proposals for a possible change of the name of the “model law” should this better clarify the purpose of this document.

Decision 2022 – 4b.5

The Committee took note of the Rules of Procedure of the Working Party on PPPs (ECE/CECI/WP/PPP/2021/5/Rev.1) and adopted the annexes contained therein.

Decision 2022 – 4b.6

The Committee took note of the status of the two PPP guidelines on circular economy under preparation and called on the secretariat to work closely with the Bureau of the Working Party in order to finalise these documents and submit them as official documents to the Working Party on PPPs.

Decision 2022 – 4b.7

The Committee welcomed the PPP policy advisory and capacity building work carried out since its last session, in particular the sixth edition of the International PPP Forum in May 2022 addressing topical issues such as the transition to the circular economy, green PPP procurement, and digital transformation for sustainable development. The Committee expressed its appreciation to IESE Business School in Barcelona for hosting the Forum and to the Government of Spain and the Barcelona City Council for their support.

Decision 2022 – 4b.8

The Committee renewed the mandate of the Working Party for five years until 2027.

C. Joint Activities (Agenda item 4(c))

51. The Team of Specialists on Innovation and Competitiveness Policies was cooperating with ECE’s Trade subprogramme on a UNDA project to facilitate the circular economy transition through pilot projects in selected member States. The two sections in the subprogramme worked closely with UN and other agencies, including co-organising events for the benefit of the member States and other stakeholders involved in the work on innovation and PPPs.

52. The secretariat thanked the donors whose financial contributions greatly contributed to the Committee’s work, namely the Governments of the Russian Federation and of Sweden.

Decision 2022 – 4c.1

The Committee welcomed the contributions of the Working Party and the Team of Specialists to the second Forum of Mayors, including its side events. The Committee welcomed cooperation between the subprogramme’s two sections, with other UN (e.g. UNCTAD in the context of the 44th regional course on key issues on the international economic agenda) and other agencies (such as WIPO, OECD, Barcelona City Council and IESE Business School).

Decision 2022 – 4c.2

The Committee thanked the donors whose funding greatly contributed to the Committee’s work on developing good practices and standards, analysing national policies, and providing policy advice and capacity building for the implementation of policy reforms, that is the Governments of the Russian Federation and of Sweden. The Committee emphasized the importance of financial and in-kind contributions for the success of its capacity building activities and policy advisory services. It invited member States and other donors to continue to provide support to its activities.

VII. Programme of Work for 2023, Intersessional Implementation Plan 2022-2023, and Outline of key components of the programme of work for 2024 (Agenda item 5)

Documentation:

Draft Programme of Work of the Economic Cooperation and Integration subprogramme for 2023 (ECE/CECI/2022/5)

Draft Intersessional Implementation Plan for 2022-2023 (ECE/CECI/2022/INF.1)

Proposed programme plan for 2023 and programme performance for 2021 of the Economic Cooperation and Integration subprogramme (ECE/CECI/2022/INF.2)

Outline of key components of the programme of work of the Economic Cooperation and Integration subprogramme for 2024 (ECE/CECI/2022/INF.3)

53. The secretariat presented the draft Programme of Work for 2023 for decision (ECE/CECI/2022/5), and the draft Intersessional Implementation Plan for 2022-2023 for decision (ECE/CECI/2022/INF.1) containing activities planned for the remainder of 2022 and until the next session in 2023.

54. The secretariat explained that the draft Programme of Work for 2023 derived from the Proposed Programme Budget 2023, which is currently in a very advanced stage of consideration by member States in New York. This process is in line with Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation (ST/SGB/2018/3).

55. The secretariat presented the proposed programme plan and performance information of the ECI subprogramme for 2023 (ECE/CECI/2022/INF.2) for information (this is the document from where the draft Programme of Work for 2023 derives). The programme plan and performance information for 2023 is an extract from the ECE proposed programme budget for 2023, which was reviewed by the ECE Executive Committee in December 2021 and submitted for consideration by the 77th session of the UN General Assembly. The programme of work reflects the annual format presented in 2021.

56. At its meeting on 5 March 2021, the ECE Executive Committee adopted a document entitled “Sequential review of the proposed programmes of work of ECE subprogrammes” (doc. 2021/8). In line with the sequential review procedure, the Committee is invited to consider the “Outline of key components of the programme of work of the Economic Cooperation and Integration subprogramme for 2024” (ECE/CECI/2022/INF.3) and provide recommendations on these components, as necessary. The secretariat added that those recommendations, if any, agreed by the Committee and included in its decisions will be reflected in the proposed programme plan of the ECI subprogramme for 2024.

57. The secretariat and a number of experts briefed the Committee on a new extra-budgetary project on “Reinforcing the innovation ecosystem in the ECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition”, financed by Germany. The purpose of the new project is to carry out analytical work on transformative innovation by means of dedicated task forces and to organize policy dialogues on the topic through a new ECE Transformative Innovation Network (ETIN).

58. The representative of Armenia expressed her gratitude to the ECE for organising the sixth edition of the International PPP Forum and for inviting the Deputy Minister of Economy of Armenia to present the Shirak Dry-Port Industrial Special Economic Zone project. While committing to implement the PPP approach for the SDGs in Armenia, the delegate requested the organisation of a capacity building event in the second half of 2022 in Yerevan jointly with the ECE, and the formulation of best practice policy recommendations by ECE to help Armenia with its further PPP development.

59. The representative of the Kyrgyzstan thanked the ECE for the joint cooperation on the further development of PPPs in Kyrgyzstan. He mentioned a roundtable on the creation of the PPP Centre and harmonization of the PPP legislation with the ECE PPP approach for the SDGs. With the support of the ECE, he further mentioned that template methodological

documents were prepared for Kyrgyzstan. These tools, he added, aim to increase the capacity of the public sector to identify and prepare PPP projects aligned with the SDGs. The documents were integrated into the website of the PPP Centre with the support of the ECE. Moreover, he expressed his gratitude to the ECE for its support in the organisation of two study tours in Istanbul and Dubai in 2021, and for facilitating the participation of the Kyrgyz delegation to the sixth edition of the International PPP Forum in Barcelona in April 2022. Finally, he added that the Ministry of Economy of Kyrgyzstan is looking forward to continue its cooperation with the ECE and especially on the use of the PPP Evaluation Methodology for the SDGs. He also mentioned that, in the framework of a joint project with the ECE, several activities are planned in the coming months including the organisation of events in 2022 and 2023.

60. The representative of Ukraine referred to the devastation of the war on Ukrainian cities and communities and stressed the need to restore the Ukrainian economy for future prosperity and safety. To this end, she flagged PPPs as a mechanism that can be used as an effective instrument for the reconstruction of Ukrainian infrastructure and to build back better. Therefore, she added, it is vital that PPPs are aligned with the SDGs to promote economic, environmental, as well as social security and sustainability, while also being resilient. PPPs for the SDGs, she argued, can provide access to private finance, mobilise innovation of the private sector, value for money and the transfer of skills. Finally, she requested the ECE's assistance and support for the organisation in the coming months of a roundtable event on the preparation, design and financing of PPP projects aligned with the SDGs aimed at rebuilding the infrastructure of Ukraine. This event would also be attended by representatives of international financial institutions and the private sector.

61. The representative of Azerbaijan expressed appreciation for the contribution of ECE in shaping the innovation infrastructure and governance of the country highlighting the role of universities in promoting innovation through launching new degree options to address the skills demand. The representative requested an Innovation for Sustainable Development Review to analyse the current innovation system of Azerbaijan and identify areas for future improvement.

62. Citing Georgia's role as a pilot country in the IPO review, the representative of Georgia commented on the progress the Government made in addressing the challenges identified through the project. The representative restated the country's commitment to implement the recommendations from both the IPO and the Innovation for Sustainable Development Review in the future while continuing close cooperation with ECE including on capacity building through study visits and handbook publications.

63. The representative of Uzbekistan stated the country's interest in implementing the findings of the recent Innovation for Sustainable Development Review to improve the innovation ecosystem and integrate Uzbekistan into the regional market, and to conduct an innovation policy performance benchmarking exercise at the Central Asia sub-regional level. The representative also informed the Committee of plans to integrate the recommendations from the Review into the strategy for innovative development of Uzbekistan.

64. The representative of the United States referred to the draft Intersessional Implementation Plan for 2022-2023 (ECE/CECI/2022/INF.1) and specifically to paragraph 15 where he suggested to add some priorities and more concrete directions to the work on PPPs.⁴ Additionally, he referred to paragraph 24 of the same document about the inclusion of a PPP capacity building project in Belarus, and suggested to remove Belarus as a beneficiary country. He argued that the Committee should not approve a capacity building project for Belarus when it is actively providing material aid to support Russia's invasion of Ukraine and destroying any progress that may have been made in the past in Ukraine.

⁴ The suggested priorities were incorporated in the revised paragraph 15 of the Intersessional Implementation Plan for 2022-2023 as approved by the Committee and contained in Annex II of the report.

65. The representative of the Russian Federation disagreed with the proposal of the United States to remove Belarus from the PPP capacity building project and suggested not to politicise the Committee session and to remain focused on the agenda.

66. The representative of the European Union, speaking on behalf of the European Union and its Member States, referred to the General Assembly resolution A/ES-11/L1 on the aggression against Ukraine and specifically on its paragraph 10 deploring the involvement of Belarus in the unlawful use of force against Ukraine, as well as calling upon it to abide by its international obligations. In this regard, she added that the European Union and its Member States supported the proposal by the United States to remove Belarus from the beneficiary countries of the capacity building project referred to in paragraph 15 of the draft Intersessional Implementation Plan for 2022-2023.

67. The representative of Belarus objected to the proposal by the United States to remove Belarus from the PPP capacity building project in the draft Intersessional Implementation Plan for 2022-2023. She also added that the position of Belarus is to keep a non-politicised discussion in the Committee.

68. At this point of the discussion, the Chairperson proposed to continue the debate in informal mode.

69. When the session resumed in a formal mode, the Chairperson summed up the discussions and the emerging consensus reached during the informal consultations. He informed the Committee that delegations agreed to a proposal by the European Union supported by the United States to put Belarus in square brackets and postpone further decision at another level so that the Committee can move forward with the adoption of the draft Intersessional Implementation Plan for 2022-2023.

Decision 2022 – 5.1

The Committee, noting ECE's cross cutting themes on promoting circular economy and the sustainable use of natural resources (69th Commission Session) and digital and green transformations for sustainable development (forthcoming 70th Commission Session), adopted the Intersessional Implementation Plan for the activities to be undertaken in 2022 and until the next session in 2023 (ECE/CECI/2022/INF.1), as well as any additional modifications requested at the session. The Committee requested the final Intersessional Implementation Plan for 2022-2023 be annexed to the report of the fifteenth session of the Committee.

Decision 2022 – 5.2

The Committee welcomed the new extrabudgetary project funded by Germany approved by the ECE Executive Committee on "Reinforcing the innovation ecosystem in the ECE region to promote innovation and digital technologies for sustainable development and for the circular economy transition", in particular the establishment of the new ECE Transformative Innovation Network (ETIN).

Decision 2022 – 5.3

The Committee took note of the document "Proposed programme plan for 2023 and programme performance for 2021 of the ECI subprogramme" (ECE/CECI/2022/INF.2) and adopted the Programme of Work of the ECI Subprogramme for 2023 (ECE/CECI/2022/5), including the proposed publications.

Decision 2022 – 5.4

The Committee requested that the secretariat follow up, subject to available extrabudgetary resources, on the interest expressed by the Governments of Armenia, Azerbaijan, Georgia, Kyrgyzstan, Ukraine and Uzbekistan in policy advisory and capacity building services, including in support of the implementation of recommendations from Innovation for Sustainable Development Reviews and the Innovation Policy Outlook, and as part of the UNDA project "Accelerating the transition towards a Circular Economy in the ECE region".

Decision 2022 – 5.5

The Committee requested that the secretariat follow up, subject to available extrabudgetary resources, on the interest expressed by the Governments of Albania, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, North Macedonia, Serbia, Tajikistan, Ukraine and Uzbekistan in:

- i. Conducting regular meetings of the IPO national focal points to exchange good policy practices and build government capacity to implement the IPO 2020 policy recommendations;
- ii. Participating in full-fledged IPO assessments in EESC countries at regular intervals of three-four years to enable countries to track their own policy progress, benchmark their performance vis-à-vis other EESC countries in a peer-learning context, and continue using the IPO as a tool to guide and measure effects of policy design and reform to build sustainable national innovation systems.

Decision 2022 – 5.6

The Committee agreed on the following recommendations on the “Outline of key components of the programme of work of the Economic Cooperation and Integration subprogramme for 2024” (ECE/CECI/2022/INF.3) without recommendations for changes.

VIII. Areas of common interest with other Economic Commission for Europe bodies and international organisations (Agenda item 6)

70. The secretariat recalled the decision of the 69th session of the Economic Commission for Europe inviting all committees to mainstream circularity and the sustainable use of natural resources into ECE’s existing relevant sectoral work programmes within their existing mandates. One specific example of the opportunities for cooperation with other ECE bodies in this regard was the ongoing UNDA project on the circular economy transition with the Trade subprogramme.

71. The secretariat also briefed the Committee on the decision of the ECE Executive Committee to focus on “digital and green transformations for sustainable development in the ECE region” at the 70th session of the Economic Commission for Europe in 2023, a topic which, like the circular economy transition, is of common interest to many ECE committees and other international organizations.

72. The secretariat also re-iterated the continuing interest in cooperation as part of the United Nations Inter-Agency Task Team on Science, Technology and Innovation for Sustainable Development.

Decision 2022 – 6

The Committee reaffirmed the benefits of cooperation and coordination with other ECE bodies and international organizations, including on the circular economy transition with the Steering Committee on Trade Capacity and Standards, on digital and green transformations for sustainable development in the ECE region in the run-up to the next session of the Economic Commission for Europe, and on capacity building with the UN Inter-agency Task Team on Science, Technology and Innovation for Sustainable Development.

IX. Other business (Agenda item 7)

73. The secretariat informed the Committee on the planned date for its sixteenth session in the second quarter of 2023.

Decision 2022 – 7

The Committee agreed that its sixteenth session would take place in Geneva in the second quarter of 2023, subject to confirmation of room availability and interpretation services.

X. Adoption of the report (Agenda item 8)

Decision 2022 – 8

The Committee requested the secretariat to prepare a draft report of the session and distribute it to the Geneva Permanent Missions for subsequent approval by silence procedure in accordance with paragraph 21 of Appendix III of document E/ECE/1464 (Guidelines on procedures and practices for ECE bodies). Once the draft report is adopted, it requests its publication in English, French and Russian.

Annex I

Chairperson’s summary of the substantive segment on “Unlocking the potential of procurement and Public-Private Partnerships to boost the innovation needed for the 2030 Agenda and the circular economy transition” (Agenda item 3)

I. High-level Panel

1. As the latest report of the UN Secretary General shows, the world is not on track to meet the Sustainable Development Goals by 2030. This also holds for the ECE region. To get back on track will require inter alia more investment in science, technology and innovation, and in sustainable infrastructure. The high-level panel discussed how public procurement and PPPs can be used to meet this challenge.
2. The panellists emphasized that political leadership and commitment are essential to truly unlock the potential of public procurement and PPPs to boost the innovation and deliver the infrastructure needed to achieve sustainable development. This includes the commitment to embrace the need for change and for new solutions, and the commitment to work closely with the business sector to deliver them.
3. The panellists recognised the importance to move away from the short-term cost-minimisation approach in traditional public procurement and to consider instead sustainability criteria to promote projects aligned with the SDGs.
4. In order to justify the often higher immediate capital expenditures of more sustainable projects, it is important to take into account the long-term advantages of more sustainable projects in terms of lower operational expenditures over their life times and a higher intergenerational value. In other words: it is important to take a life-cycle cost approach.
5. In this regard, the panellists pointed out that one of the advantages of PPPs over traditional procurement is that the life-cycle approach is embedded in all PPPs intrinsically, and this makes them particularly amenable to promote greener and more sustainable outcomes.
6. By shifting (some of) the immediate capital expenditure to the private partner, and converting it into future operating expenditures for the government, PPPs can also spread the costs of the project incurred by the government more evenly over the project’s life cycle.”
7. It was also argued that PPPs provide an opportunity for public sector agencies to co-develop with the private sector innovative solutions to politically sensitive issues, such as data security, privacy and sovereignty in the context of moving administrative data to the cloud, or of diagnostics via tele-medicine, a practice which increased exponentially during the COVID 19 pandemic.
8. The panellists also recognized the importance of moving away from the technical or product specification approach typical in traditional procurement. Instead procuring entities should move to a functional specification approach in which they describe the problem to be solved rather than the product to be bought. In this way, public procurement can stimulate businesses to invest in innovation to develop new and better solutions to sustainability challenges.
9. It was noted that little research and guidelines exist on green and sustainable PPP procurement, compared to green and sustainable public procurement. Some panellists emphasised the need to collect, monitor and analyse the data available for green and sustainable PPPs, in order to better define the sustainability outcomes of projects and identify potential failures. To this end, the panel suggested to develop an action plan, guidelines or a standard, especially tailored for regional and local authorities, to implement the SDGs and national sustainable development targets through PPPs.

10. Going forward, representatives from private companies discussed best practice that governments could implement to further incentivise the infrastructure industry to embrace sustainable procurement practices and to develop innovative solutions. Examples included the use of standard contracts, the development of national directives tailored to local realities and the need for strengthened cooperation between local and national authorities. Furthermore, some panellists flagged the barriers that lengthy bidding procedures pose on the speed of deployment of infrastructure projects that support the implementation of the SDGs.

II. Green and Sustainable PPP Procurement

11. Building on the high-level discussion, Panel 1 further emphasised how the distinctive features of PPP procurement provide a greater scope for governments to promote and implement greener and more sustainable outcomes compared to traditional public procurement. As PPPs are long-term and privately financed contracts with massive investment, they inherently provide leverage to transform business and government practices into more sustainable and circular practices.

12. In terms of green procurement practices that can be promoted and implemented along the three PPP procurement stages, the panel recommended that at the planning stage, a green market analysis and an environmental impact assessment be conducted, as private contractors often have more information and knowledge about their practices and products. At the procurement stage, implementing green defaults within contracts was highlighted as an important good practice. Furthermore, the importance of addressing green washing and implementing a “comply or explain” approach were raised as best practice to ensure the integration of social and environmental clauses into contracts. Finally, at the implementation stage, calculating the life-cycle costs and implementing a bonus and malus model system were further mentioned as options that can benefit PPPs to ensure green and sustainable practices.

13. The panel stressed the availability of guidelines and strategies to promote green and sustainable practices along the three PPP procurement stages (planning, process and implementation). However, in fact, practical guidelines on implementation, methodologies and pilots are needed to put theory into practice. This gap represents an opportunity as, intrinsically, PPPs already follow a life-cycle approach and can better include sustainability elements. In this regard, the panellists pointed out that the role of the public sector is to define green and sustainable goals, while the private partners should develop and implement solutions to meet such goals.

14. Several initiatives to ensure the sustainability of PPPs from Brazil, Germany, Greece, Italy, the Kyrgyzstan as well as from the European Commission were presented during the discussion. In particular, ensuring leadership, strengthening the capacity of public authorities, and developing green national PPP strategies, assessment tools and action plans were raised as important steps to unlock the potential of PPPs and guarantee the sustainability and circularity of infrastructure projects.

15. The discussion also focused on the reality of transition economies where the additional complexity of implementing green and sustainable procurement practices is a further challenge given the limited capacity of the public sector to identify and develop PPPs. In this regard, one of the most important best practice in such countries is to strengthen the legal, regulatory and institutional PPP frameworks, and in particular an enabling environment and a PPP Unit, and build the capacity of the public sector.

16. Finally, the panel pointed out that these practices may impact the bankability of projects. Thus, the challenge is to find an appropriate balance and flexibility in PPP contracts to have green and sustainable projects that are bankable and attract bidders. Financial instruments such as blended finance, green guarantees and green loans were mentioned as tools to further mobilise public and private finance for the bankability of green and sustainable PPP projects.

III. The Role of Procurement in Boosting Innovation for Sustainable Development

17. Panel 2 discussed the potential of public procurement to boost innovation for sustainable development. The panellists – representing national policy makers, innovation agencies, the business sector, and international organizations – exchanged their views and provided specific examples on the benefits of innovation-enhancing procurement for sustainability; the best ways of doing it; the challenges to be overcome; as well as the prospects for transferring lessons learned in more advanced settings to less advanced ones.

18. A lack of demand for innovative products or services can be a major reason for businesses not to invest more in R&D and innovation. This is a particular problem when what is required is not incremental but transformative, systemic innovation, as is often the case with sustainable development challenges. One example is the challenge to retrofit millions of existing buildings in order to reduce their green-house gas emissions to levels compatible with limiting global warming to 1.5 degrees.

19. Public procurement spending is large in the ECE region, reaching up to 20 percent relative to GDP in some countries. It can be a powerful policy lever to stimulate demand for systemic innovation, to catalyse experimentation with transformative ideas, and to demonstrate their potential for making both the public and the private sector more sustainable.

20. To successfully mainstream innovation, sustainability and circularity into procurement practices, Governments need to set the right incentives, manage the associated risks, improve the skills and capacity of public procurement officials and private sector bidders, enhance data collection and monitor results. It is also crucially important to create new forms of partnerships and co-ordination with the private sector.

21. The panel showcased several successful pilot cases and award-winning innovation-enhancing procurement programs. With a focus on demonstrated replicability and scalability, awards raise awareness about the strategic importance of innovation-enhancing procurement for solving societal challenges, showcase best practices, and create a network for peer learning.

22. Successful innovation-enhancing procurement programs typically define the problem to be solved rather than the product to be bought; coordinate effectively among end users, procurement agencies and innovation agencies; and engage effectively with innovative companies through market research and assessments of risks and opportunities.

23. Among the challenges are risk aversion in the public sector; a lack of skills and capacity to handle the added complexity of innovation-enhancing procurement; barriers to entry for innovative small enterprises, particularly start-ups; and a still weak evidence base on the volume of innovation-enhancing sustainable procurement and its impact.

24. To address these challenges, the panellists recommended to clearly communicate at the political level the strategic importance of innovation-enhancing procurement for achieving national sustainable development priorities; to start experimenting with pilots of limited scope and then to scale up successful programs; to build up the capacity of the public sector and the private sector; to reduce administrative barriers for start-ups, such as the need for credit histories; and to step up efforts to compile internationally comparable data on the volume and impact of innovation-enhancing sustainable procurement.

25. At the same time, it also became clear that because of the complexity of innovation-enhancing procurement and of the risks involved, not all procurement needs should be filled through this method. UN Environment and UNDP have developed a sustainability-weighted procurement portfolio assessment model which helps procurement entities to set priorities for innovation-enhancing procurement by identifying procurement needs where the risk for sustainability is high and where sufficient resources are to be committed to provide sufficient incentives for bidders to invest in innovation.

Annex II

Intersessional Implementation Plan for 2022-2023

I. Introduction

1. The present document is based on the programme of work of the Committee for 2022 (ECE/CECI/2021/9). It provides additional information on activities planned and proposed for the period between the fifteenth and sixteenth sessions of the Committee. To facilitate discussion, this document presents activities grouped by the main thematic areas covered by the Committee, that is, Innovation and Competitiveness, and Public-Private Partnerships.
2. The plans and proposals reflect demand expressed by member States as well as the resources available to the secretariat before the session as well as additional proposals and requests received at the session.

II. Innovation and Competitiveness Policies

3. The work on innovation and competitiveness focuses on promoting a policy environment supportive of innovative development and knowledge-based competitiveness. Activities include policy dialogue, policy recommendations and good practices, analytical reviews, and capacity building, including workshops and seminars at national and sub-regional levels.

Events

4. The fourteenth session of the Team of Specialists on Innovation and Competitiveness Policies will be held in Geneva on 14-15 November 2022. As part of the session, an international policy conference will provide an opportunity for experts from across the ECE region to exchange experiences on innovation policy. The Bureau of the Team will decide on the specific topic in consultation with the Team members.
5. The 2022 session of the Working Group on Innovation and Technology for Sustainable Development of the UN Special Programme for the Economies of Central Asia (SPECA) will be organized together with UNESCAP. A policy conference will be organised back-to-back with the session. The precise location and date remain to be decided.

National Innovation for Sustainable Development Review

6. The Innovation for Sustainable Development Reviews of Uzbekistan and the Republic of Moldova will be published. Two additional national Innovation for Sustainable Development Reviews, of Armenia and Ukraine, will be carried out.

Innovation Policy Outlook

7. Regular policy dialogue meetings of the network of Innovation Policy Outlook national focal points will be organized to exchange good policy practices and build government capacity to implement policy recommendations from the Outlook. A follow-up publication analysing 3 select policy issues in-depth will be published in 2022 under the guidance of the network.

Innovation Policy Principles

8. The Task Force on Innovation Policy Principles will continue its work on draft high-level policy principles on selected aspects of innovation for sustainable development under the auspices of the Team of Specialists on Innovation and Competitiveness Policies. The Task Force will hold periodic meetings to advance its work and will initiate a broad multi-stakeholder dialogue on the draft principles.

Capacity building

9. In follow-up to the national Innovation for Sustainable Development Review of Georgia, ECE will complete the capacity building programme for Georgia on the topic of

innovation-enhancing procurement, as per agreement with the Government. A Handbook on Innovation-enhancing Procurement based on international best practices will be finalized and translated in Georgian. A study tour for six Georgian officials will take place in Austria in June 2022.

10. In follow-up to the national Innovation for Sustainable Development Review of Moldova, a capacity building programme will be agreed with the Government and carried out in the second part of 2022.

11. Under the SPECA Working Group on Innovation and Technology for Sustainable Development, capacity building activities will be carried out according to the Action Plan of the SPECA Innovation Strategy for Sustainable Development adopted at the sixteenth session of the SPECA Governing Council in November 2021. Additional national capacity building will be provided upon request to SPECA countries on the basis of a recently issued Handbook on Business Incubators to Promote Sustainable Development in the SPECA Sub-Region. Handbooks on supporting innovative high-growth enterprises in the SPECA sub-region, and on new innovation policy for transition economies will be produced and provide the basis for additional national capacity building activities upon request from SPECA countries. These activities will be implemented with the support of the UN Development Account project “Strengthening innovation policies for SPECA countries in support of the 2030 Agenda for Sustainable Development”.

12. ECE will continue contributing to the capacity building workstream of the UN Inter-agency Task Team on Science, Technology and Innovation for Sustainable Development.

13. Building on the Committee’s existing work on innovation for the circular economy and on innovation-enhancing procurement, and in cooperation with ECE’s Trade subprogramme, ECE will support selected member States on request in developing road maps or action plans for the circular economy transition in selected relevant fields.

14. With extra-budgetary funding, an ECE transformative innovation network will be created to develop policy for and build capacity of the ECE member States to strengthen innovation ecosystems that can harness disruptive and transformative innovation and digital technologies for sustainable development.

III. Public-Private Partnerships

15. The focus of the work on Public-Private Partnerships (PPPs) is supporting ECE member States' use of PPPs to address a range of issues in the context of relevant cross-cutting Commission themes, sustainable economic recovery and reconstruction, corruption in PPPs, pandemic preparedness and response, food security, women's empowerment, and accelerating achievement of the SDGs in the ECE region. The ECE Guiding Principles on PPPs for the SDGs provide the normative basis for the work on PPPs.

Events

16. The sixth session of the Working Party on PPPs will be held in Geneva on 1- 2 December 2022;

17. The seventh edition of the International PPP Forum will be organised by the ECE in May 2023;⁵

18. A PPP Forum organised by the Annemasse Agglomération, France and UNITAR with the support of the ECE will take place in the second half of 2022;⁶ and

⁵ A competition for the best PPP infrastructure projects that contribute to the circular economy agenda and the SDGs will be organised by the secretariat at the Forum, and a letter of recognition will be given to the winners. The competition will contribute to expanding the database of case studies and to promote the use of the Evaluation Methodology.

⁶ Paragraphs 39 and 40 of the report of the fifth session of the Working Party on PPPs (ECE/CECI/WP/PPP/2021/2).

19. A virtual launch event for the PPP Evaluation Methodology for the SDGs will be organised in the second half of 2022.

Standards, recommendations, guidelines and best practices

20. Work on standards and guides on green and sustainable PPP procurement and on digital transformation in PPPs for sustainable development will be decided by the Working Party on PPPs at its next session in December 2022 based on proposals by its Bureau and on existing resources;⁷

21. The Guidelines on promoting PPP Waste-to-Energy Projects for Non-Recyclable Materials in the Transition towards the Circular Economy will be finalised in 2022 based on comments from stakeholders; and

22. A guide on how PPP projects could be better designed, developed and implemented in order to contribute to the circular economy agenda will be prepared in 2022.⁸

Capacity building⁹

23. A capacity building project in Ukraine¹⁰ to strengthen the capacity of public officials to develop and implement PPP projects in line with the SDGs will be implemented in 2022;

24. A capacity building project in [Belarus] and Kyrgyzstan to promote effective partnerships between the public and the private sectors through PPPs¹¹ will be implemented in 2022 and 2023;

25. Provide support to Governments in self-assessing at least 30 PPP projects using the PPP Evaluation Methodology for the SDGs; and

26. The campaign to reach 500 PPP for the SDGs case studies will continue to be promoted, and additional case studies will be collected and presented at the seventh International PPP Forum in May 2023.

⁷ The Bureau of the Working Party on PPPs recommended that such proposals should take into account the work done in other multilateral institutions, and integrate, as applicable, the work on ongoing PPP standards, including that on health policy, water and sanitation and urban rail.

⁸ Decision 2021 – 4.2 by the Working Party on PPPs at its fifth session in November 2021 (ECE/CECI/WP/PPP/2021/2).

⁹ The capacity building is provided to support member States in implementing the Guiding Principles on PPPs for the SDGs.

¹⁰ The activities are part of a project to develop and implement the PPP model for sustainable development in Ukraine, approved by the Executive Committee in 2020.

¹¹ The project is part of a larger capacity building project from the 13th tranche of the Development Account with other implementation agencies (the Regional Commissions, UNCTAD and UN DESA) in coordination with the Resident Coordinators' Offices and UNDP. The secretariat has received requests for this PPP support from the Governments of Belarus and Kyrgyzstan.