



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

Geneva, 24-26 June 2024

Item 3 (a) of the provisional agenda

Implementation of the Programme of Work – Team of Specialists on Innovation and Competitiveness Policies**Progress of the work of the UN-ECE Transformative
Innovation Network****Note by the secretariat¹****I. Introduction**

1. Supporting transformative innovation is central to sustainable development and the green and digital transition. Bringing people out of poverty while carefully allocating finite resources and preserving the environment is only possible with innovation that allows us to produce more with less and contributes to making whole societies more sustainable. As transformative innovation is inherently unpredictable, it is a result of continuous trial and error around ideas. Finding a productive role for government support, therefore, inevitably involves a switch from planning and technology towards a system that also allows for policy experimentation. This will not only require new incentives and lead to new constraints, but also more elaborate processes for continuous learning, in other words: new innovative solutions of governance itself. Identifying and fostering such solutions is a challenge to all ECE member States, that have set up a range of initiatives and institutions over the past decade to foster transformative innovation, such as the German Federal Agency for Disruptive Innovation (SPRIN-D). With this, substantial momentum has been created around concepts such as ecosystem development and integrating experimentation and learning for transformative innovation.

2. In response to these challenges, ECE is in an advanced phase of running the UN-ECE Transformative Innovation Network (ETIN), a peer-learning and exchange platform for public and private sector stakeholders, academia, research, and civil society. The main objective of the network is to facilitate dialogue and the exchange of experiences and build the capacities of ECE member States to enable and foster truly transformative innovation. The ambition is to build innovation ecosystems that can harness innovation and digital technologies for sustainable development and the transition towards a circular economy.

3. A core goal of the network is to define how governments can most efficiently nurture broader and more systematic experimentation to catalyse broader societal transformations around socio-economic challenges.

¹ This document has not been formally edited.

4. ECE supports and nourishes ETIN through a series of meetings and activities around two work themes:

- (a) Ecosystem development for transformative innovation, and
- (b) Strategic learning for transformative innovation.

5. Under the first work theme for ecosystem development, ETIN has established two workstreams: (1) circular platforms and (2) innovation-enhancing procurement for sustainable transformations. The second work theme has a workstream on (1) the inner workings of strategic learning and on (2) strategic learning for the SDGs and UN Agenda 2030. Each workstream is led by a task force of ETIN members working on the specific topic and involves a range of regular events and joint activities for exchange of experience and peer learning, webinars, and podcasts episodes.

6. The ETIN network is a central part of the work of ECE's effort to support member State in the cross-cutting themes defined at the 69th and 70th sessions of the Economic Commission for Europe, i.e. the circular economy transition and green and digital transformations.

7. The network brings together stakeholders from over 30 developed and transition economies and partner organisations, such as the European Commission (EC), the Organization for Economic Co-operation and Development (OECD), the Transformative Innovation Policy Consortium (TIPC), United Nations Trade and Development (UNCTAD), complementing other ongoing work on transformative innovation. By creating synergies with international partners and experts, the work conducted under ETIN has contributed to the overall efforts of accelerating the transition towards a circular economy and the sustainable use of natural resources² and the green and digital transitions.³ An example of this is the ETIN work stream on the potential of circular platforms for sustainable transformations, under which, for example, ETIN has organised a panel at the World Circular Economic Forum 2024 (see below).

8. Following an initial set-up phase, the network has now entered its second phase focusing on the expansion of membership and implementing the activities of ETIN work streams. Activities conducted and outputs developed over the past year will culminate and feed into a high-level ETIN Transformative Innovation Action Forum planned for October in Brussels, Belgium, jointly organised with the Joint Research Centre and the Directorate for Research and Innovation of the EC.

II. Main ETIN accomplishments (Q3 2023 – Q2 2024)

9. 2023 saw a shift in ETIN activities, with an increased focus on external activities and outreach. This change in operational mode can be divided in three types of activities.

ETIN initiated events

10. A first category concerns activities that ETIN initiated, or co-organised with some of its members.

Table 1 – Overview of ETIN initiated events

(a) Two-day workshop: Technical Meeting on the Role of Transformative Innovation (TI) in Supporting the Green and Digital Transition of the Western Balkans	20-21 September 2023, in-person, Budva, Montenegro
(b) Seminar: The Definition and Inner workings of Strategic Learning	1 February 2024, online
(c) Panel: Platform-driven transition: Scaling Circular Solutions	17 April 2024, hybrid, Brussels, Belgium, Accelerator Session by

² Theme of the 69th ECE Session.

³ Theme of the 70th ECE Session.

	the Nordic Stage, World Circular Economic Forum (WCEF)
(d) Seminar: Assessing Demand Acceleration: A Dive into Scalability and Impact	25 April 2024, online
(e) Two-day workshop: Unlocking Innovation in Services in the Western Balkans	13 and 14 May 2024, in-person, Geneva, Switzerland
(f) Innovation Circle Special Episode: How Platforms Can Facilitate Reverse Logistics for the Circular Economy	27 May 2024, hybrid, Barcelona, Spain, TheNTWK Summit 2024
(g) Panel: The Many Purposes of Platforms Supporting the Circular Economy Transition	29 May 2024, hybrid, Barcelona, Spain, TheNTWK Summit 2024

Source: ECE.

Descriptions of the events are included here in sequential order:

(a) A two-day workshop, co-organized with the Regional Cooperation Council (RCC), in Montenegro 20-21 September 2023. The event, entitled “Technical Meeting on the Role of Transformative Innovation (TI) in Supporting the Green and Digital Transition of the Western Balkans”, 1) introduced the concept of transformative innovation to the Western Balkan sub-region; 2) created new alliances for future work in the region; and 3) solicited comments and feedback on an expanded methodology for the ECE Innovation Policy Outlook. The event was productive on all ends and fed into a second workshop held in Geneva in May 2024, listed under (e).

(b) An online seminar on “The Definition and Inner workings of Strategic Learning” was held on 1 February 2024. The seminar was part of the workstream on the inner workings of strategic learning and was led by the lead expert of this workstream. This seminar provided an input to a policy document that will be developed under this workstream and focused on exploring the definition and implications of strategic learning on societal transformations via a structured discussion.

(c) A panel discussion on the 17 April 2024 at an accelerator session of the World Circular Economic Forum in Brussels, hosted by the Nordic Stage. The panel, joined by policy maker from the European Commission as well as private sector stakeholders, discussed “Platform-driven transition: scaling circular solutions”, examining what opportunities there are for the platform economy to spur the circular economy transition. This panel was organised by the ETIN task force on Circular Platforms, under the work theme of ecosystem development. The session revealed that the circular transition needs to also consider the potential and need for market creation and changes in human behaviour. Markets will play a critical role in circularity as they help coordinate activities such as matching supply and demand and creating synergies and spillovers between sectors.

(d) A seminar on innovation-enhancing procurement (IEP) for sustainable transformations on 25 April 2024, “Assessing Demand Acceleration: A Dive into Scalability and Impact” which was moderated by the two lead experts of the ETIN workstream on IEP. This seminar marked the beginning of an entire seminar series hosted by the ETIN taskforce on IEP to explore its impact on sustainable transformations and growth. The purpose of this seminar series is to boost the engagement between the ETIN experts, practitioners, and policymakers within the IEP workstream. During this seminar, the moderators shared their IEP framework, including two case examples of this framework in use.

(e) A technical meeting on “Unlocking Innovation in Services in the Western Balkans” on 13 and 14 May 2024. This comprehensive two-day event was co-organized with the Regional Cooperation Council (RCC), the United Nations Trade and Development (UNCTAD) and the green economic development program RECONOMY. Innovation being an essential element needed for the Western Balkans to capitalize on digitalization and dematerialization, this technical meeting explored the potential of innovation in the business process outsourcing (BPO) sector of the region.

(f) A special episode of the ETIN Innovation Circle series as a side event of TheNTWK Summit 2024 on 27 May 2024 in Barcelona, Spain. ETIN organized an interactive discussion on "How Platforms Can Facilitate Reverse Logistics for the Circular Economy.", as part of the ETIN workstream on circular platforms for transformation.

(g) A panel at TheNTWK Summit 2024 on 29 May 2024 in Barcelona Spain. The discussions in the panel evolved around "The Many Purposes of Platforms Supporting the Circular Economy Transition". This highlighted that the potential of the platform economy for transformations lies not only in the creation of circular markets for products and services, but also in their function as a space for knowledge exchange and learning through consultations and co-creation of initiatives and support.

ETIN contributions to ECE flagship events

11. At the 15th session of the ECE Team of Specialists on Innovation and Competitiveness Policies (ToS-ICP), ETIN contributed to the international policy dialogue sessions on the role of strategic learning for sustainable transformations. The discussions resulted in a policy paper on strategic learning for endorsement by the Committee on Innovation, Competitiveness and Public-Private Partnerships (ECE/CECI/2024/3). ETIN also organized a side-event on the topic for conference participants and ETIN members. The side-event brought together policy makers, experts, and the private sector to discuss, explore and exchange experiences in strategic learning and experimentation for transformative innovation.

Outreach and engagement

12. In parallel ETIN also pursued other forms of outreach and engagement.

Table 2 – Overview of other ETIN activities

(a) Participation at the MIT Platform Strategy Summit 2023	14 July 2024, in-person, Boston, United States
(b) Participation at the Nordic Circular Summit	17-18 October 2023, hybrid, Reykjavik, Iceland
(c) Panel: The Potential of Platforms in Spurring the Circular Transition in the EV Battery Sector Workshop: The Inner Workings of Strategic Learning for Transformation	30 April – 1 May 2024, in-person, London, United Kingdom, Innovation Zero Conference
(d) Participation at the Eu-SPRI Conference: Governing Technology, Research, and Innovation for Better Worlds	7 June 2024, in-person, Twente, the Netherlands, Eu-SPRI conference
(e) Keynote speech: Overall Political Guidelines and Framework: Addressing Global and Local Issues	6 June 2024, in-person, Gaia Artic Summit 2024, Vesterålen, Norway

Source: ECE.

(a) From 10 to 14 July 2023, the ECE secretariat attended the MIT Platform Strategy Summit in Boston, United States to discuss the emerging workstream on circular platforms (see 7 above); 3) and transformative innovation in general; and to expand the network.

(b) ETIN presented its ongoing work on circular platforms for an international network on circular economy at the Nordic Circular Summit in Reykjavik, Iceland, on 17 and 18 October 2023. The event provided an excellent opportunity to highlight ETIN and expand the network with new members from the region.

(c) From 30 April to 1 May 2024, ETIN contributed to the Innovation Zero Conference in London, United Kingdom. Besides running a booth at the conference to engage with conference participants, ETIN organized two events to spur engagement: A panel discussion titled "The Potential of Platforms in Spurring the Circular Transition in the EV Battery Sector" and a workshop on strategic learning, as part of the respective ETIN workstreams.

(d) ETIN participated in the Eu-SPRI conference in Twente, Netherlands from 4 to 7 June 2024. The conference's theme was "Governing Technology, Research, and Innovation for Better Worlds" and explored how policy on science, technology and innovation can create real value to people and what it means to create a "better world." ETIN's participation in the policy dialogue of the conference reflected the relevance and contribution of the ETIN discussions to the overall discourse on transformative innovation policy and governance held at the EU level.

(e) ETIN participated at the Gaia Arctic Summit 2024, which focused on how to address climate change in the future.

III. ETIN "Innovation Matters" and "Innovation Circle" podcast series

13. The Innovation Matters podcast series explores how innovation, or experimentation with ideas to create value, could drive progress towards the Sustainable Development Goals in the ECE region and beyond.

14. The ambition is to provide ECE policymakers and other stakeholders with a better understanding of how innovation is transforming our world, and the potential opportunities and challenges ahead. The episodes engage leading experts on different topics related to innovation, such as the platform economy, the fourth industrial revolution, and the rise of autonomous vehicles.

15. To date, 22 episodes have been released, with additional ones undergoing editing (see annex). The podcasts are available on SoundCloud, Spotify, Apple Music, and Amazon Music (see annex I for a list of released episodes).

16. To complement this podcasts series, and to create a space for direct interaction between members and experts, ETIN has launched a live podcast series, titled "Innovation Circle". This series provides a space for informal exchanges between ETIN members and other experts around the different areas of transformative innovation, complementing other ongoing ETIN activities.

17. To date, 12 Innovation Circle episodes have been released. (see annex II for a list of released episodes).

IV. Other activities and measures underway

18. To support ETIN member interaction through blogs and general knowledge sharing and to provide designated workspaces for ongoing and future activities, ETIN has developed an online platform for its members, the ETIN Online Portal. The Portal is designed to enhance ETIN's communication and collaboration, providing a centralized space for resources and discussions. ETIN members can access and contribute to a blog that aims to create a space for peer-learning and experience-sharing. Furthermore, members can access all important ETIN documents and quickly find the focal points for each ETIN work theme and workstream.

V. ETIN governance

19. ETIN is governed by a core group which meets at monthly intervals. ETIN also holds biannual consultation meetings for the whole network. These meetings provide the opportunity for ETIN members to update the network on ongoing activities and provide space for feedback and comments from the broader group of ETIN stakeholders.

- On 7 December 2023, ETIN held its third consultation meeting where discussions focused around the updates on ETIN activities since the second consultation meeting, planning for the next ETIN activities in Q1-Q2 2024 and the election of Core Group for 2024, based on the governance structure established and agreed upon with the ETIN network at the second consultation meeting in May 2023.

- ETIN will hold its fourth consultation meeting in July 2024.

VI. Charting the way forward (Q3 2024 and onwards)

20. Following ETIN's achievements in 2024 and contingent on the availability of follow-up funding, the ambition of ECE is for ETIN to enter its next phase in 2025. ETIN has identified common policy themes and challenges. It has mobilised key stakeholders involved in innovation for transformation across the ECE region, and has created a space for international, regional and local exchanges around these key challenges. This has created a broad community of experts on the topic which has started to develop actionable solutions for ECE member States.

21. The next phase would be shaped by the outcomes of the Action Forum in October 2024 and centre around scaling up ETIN's activities as well as exploring new avenues that the network can delve and expand into, including how to ensure the long-term sustainability of the network.

21. A key element to facilitating the next ETIN phase will be to mobilise follow-up funding for the post 2024 period to capitalise on the results achieved thus far with the generous funding provided by the German Government. Additional funding will be crucial to allow ECE to continue coordinating the ETIN network as it grows further, enhancing the value of the network itself, but most importantly, leveraging the momentum gained through the work of the network since its creation. This includes both the dynamics and connections established between members as well as the insights gathered and co-created through these collaborations. The network is now well established and has proven to be an effective way of exchanging ideas and experiences on how to bring transformative innovation (policy) into practice, a timely and important effort for all ECE member States, resulting in valuable lessons learned for current challenges faced in the green and circular transition. Therefore, ECE calls upon countries and development partners for their support in ensuring the continued operation of ETIN beyond 2024.

Annex I

Published “Innovation matters’ podcasts (as of 14 May, 2024)

	<i>Title</i>	<i>Guest</i>	<i>Date of release</i>
1	The platform economy - revolutionizing how we produce, consume and interact?	Michael Munger	31.05.2022
2	Post-socialist transition 30 years on: the importance of furthering broad Innovation to progress towards Agenda 2030	Aleksandr V. Gevorkyan	09.06.2022
3	The innovation paradox - innovation in transition economies	William Maloney & Xavier Cirera	22.06.2022
4	The rise of the global digital economy and lessons from East	Carin Holroyd & Ken Coates	05.07.2022
5	Holistic innovation policy and the governance of national innovation systems	Charles Edquist	09.08.2022
6	Regional and local innovation hubs to accelerate sustainability shifts	Cristina Chaminade	05.10.2022
7	The innovation commons	Jason Potts	02.11.2022
8	Cities as test-beds of innovation for sustainability	Susan Borrás	14.12.2022
9	Transformative innovation and entrepreneurship for sustainable development	Barbara Diehl	02.02.2023
10	Openness to creative destruction - lessons from history	Arthur Diamond	24.02.2023
11	The role of governments	Josh Lerner	13.07.2023
12	Shaping long-term societal development	Philip Auerswald	15.08.2023
13	Automation and utopian futures?	John Danner	06.09.2023
14	Converging technologies and transformation	Steven Kotler	13.10.2023
15	Regulation and Innovation (part 1)	Adam Thierer	08.11.2023
16	Law and incentivizing innovation in an age of digitalization	Robin Feldman	22.11.2023
17	Regulation and Innovation (part 2)	Adam Thierer	06.12.2023
18	Innovation in the industrial revolution	Emma Griffin	20.12.2023
19	Life in the industrial revolution	Emma Griffin	10.01.2024
20	Politics of innovation	Mark Zachary Taylor	14.02.2024
21	Capitalism and innovation	Rainer Zitelmann	15.03.2024

	<i>Title</i>	<i>Guest</i>	<i>Date of release</i>
22	Innovation Policy	Anders Kärnä	01.05.2024

Annex II

Published “Innovation circle” podcasts (as of 14 May, 2024)

	<i>Title</i>	<i>Guest</i>	<i>Date of episode</i>
1	Sustainability Transformations. Agents and Drivers across Societies	Björn-Ola Linnér	15.11.2023
3	Transforming Mature Industries	Göran Nyström	13.11.2023
2	Strategic learning as a means to integrate innovation, experimentation and learning	Kirsi Hanhisalo & Alex Glennie	29.11.2023
4	Transformative Innovation in Emerging Economies in a Regional Context: Case study Western Balkans	Bojana Femić-Radosavović	14.02.2024
5	Innovation-enhancing procurement and the Demand Acceleration methodology	Lina Svensberg & Jakob Lindvall	28.02.2024
6	Transforming the Future	Dominique Foray	13.03.2024
7	Transformative Investment	Roberta Benedetti del Rio & Johan Schot	27.03.2024
8	Strategic Learning: Managing an Unpredictable Future	Leonard Kelleher	09.04.2024
9	Social Entrepreneurship	Maja Andjelkovic	24.04.2024
10	Transformative Innovation, Power Shoring, and a New Geography	Jorge Arbache	07.05.2024
11	How Platforms Can Facilitate Reverse Logistics for the Circular Economy	Rich Bulger & Peter Evans	27.05.2024
12	Understanding and putting into practice the concept of the innovation commons	Jason Potts	12.06.2024
