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**Draft Outline
of a SPECA Innovation Strategy for Sustainable Development**

Vision

Achieving the Sustainable Development Goals (SDGs) is a challenging task to which the United Nations member States, including the SPECA countries, have committed themselves. To achieve these goals, governments and societies need to mobilize adequate resources and capabilities and engage all relevant stakeholders. Innovation can and should be a key driver for implementing this ambitious agenda as it can contribute to both technological progress and rising prosperity. Given the broad set of intertwined sustainable development goals and targets, their pursuit requires novel approaches and solutions and the formation of the innovation capabilities needed to address these challenges. Innovation covers not only technological changes, but also changes in organizational, labour and social practices and, as such, it has a strong potential impact on the switch to sustainable development in the SPECA region.

The SPECA countries aspire not only to meet the expectations of their societies in ensuring sustainable development in the region but also to be in the forefront of the global effort in the pursuit of the SDGs. Given the transboundary nature of many regional sustainable development challenges, such as those related to water, energy, environment, transport, ICT infrastructure and disaster risk reduction, the SPECA countries will join forces in the pursuit of cooperative innovative solutions to such challenges to the mutual benefit of all countries in the region.

Innovation can also be a powerful engine for economic development in general and can serve as an engine for structural transformation and diversification of the economies of the SPECA countries. It can also help them to accelerate their regional integration and their integration into the world economy. For this purpose, the SPECA countries need to create and strengthen linkages at all levels: within the local economy; with neighbouring countries and linkages to global value chains. They also need to build a tangible critical mass of productive capabilities and related institutions and infrastructure.

The ambition of the SPECA countries is to develop and consolidate the national capacity and capabilities to design and implement innovation policies for sustainable development taking into account not only the national context and existing constraints but also recognizing their possible transboundary effects. The SPECA countries will also work together to strengthen the institutional framework for regional cooperation in implementing innovation policies for sustainable development with possible cross-border effects. Such capabilities will allow the SPECA countries to promote innovation for sustainable development both within and across national borders in the region and achieve regional synergies.

Acknowledging the scope and scale of the problem, the Governments of the SPECA countries agree to join forces in their efforts to consolidate the national capabilities for developing innovation policies for sustainable development and strengthen regional cooperation in promoting innovation that addresses common sustainable development challenges. SPECA is a practical and effective platform for such regional cooperation.

The Innovation Strategy for Sustainable Development is a policy document of the SPECA countries, jointly agreed by their Governments, to guide their cooperative efforts towards the accomplishment of the above vision. It targets objectives and activities of common interest and will be implemented with the joint efforts of the SPECA countries. UNECE and ESCAP, the two UN regional commissions that jointly support SPECA, will also support the implementation of the SPECA Innovation Strategy for Sustainable Development.

Objectives

The overall objective of the SPECA Innovation Strategy for Sustainable Development is to achieve a sustained improvement in the national capacity and capabilities of the SPECA countries to formulate and implement innovation policies for sustainable development and to raise the level and quality of regional cooperation in the implementation of innovations that support sustainable development.

This should be achieved by following a set of specific objectives as follows:

1. Upgrade the knowledge and skills base of key stakeholders in the SPECA countries to match the challenges of addressing SDGs with innovative solutions;
2. Strengthen the regional policy dialogue and the sharing of good policies and practices, including the attraction of leading international expertise in innovation for sustainable development;
3. Work together in identifying regional and transboundary sustainable development challenges of high priority and common interest that call for innovative solutions;
4. Enhance the institutional framework for regional cooperation for implementing innovation addressing sustainable development challenges of common interest;
5. Facilitate the diffusion of innovations and the transfer of technologies addressing sustainable development challenges in the region;
6. Strengthen cooperation with existing platforms and mechanisms for international collaboration in promoting innovation for sustainable development within the United Nations family of organizations;
7. Contribute to improved performance of the SPECA countries in the degree of SDG achievement; and
8. Awareness raising in the SPECA countries on the role of innovation in the efforts to achieve the SDGs.

Activities

To address these key strategic objectives, SPECA countries should consider a set of wide-ranging, collaborative activities, including:

A. Capacity development

A.1. Undertake national and/or regional capacity-building seminars for key innovation and sustainable development policy-makers and stakeholders in the SPECA countries;

A.2. Conduct national and/or regional hands-on skill-building workshops for relevant innovation practitioners and stakeholders on selected topics and issues related to the implementation of innovation policies and undertakings for sustainable development;

A.3. SPECA countries could consider organising study tours and exchanges for policymakers to share best practices, both within and outside the region, on how to set up effective policies and institutions to promote innovation-driven sustainable growth; and

A.4. Support the development a network of research institutions dealing with innovation in the areas of the SDGs which could also support the bilateral and multilateral secondment of innovation experts among SPECA countries.

B. Policy development and dialogue

B.1. Identify existing weaknesses in national innovation systems including innovation policy areas and aspects that may impede innovations supporting sustainable development;

B.2. Organise periodic regional seminars for sharing of good policies and practices, with the participation of leading international expertise, in innovation policies for sustainable development;

B.3. Consider organising technical assistance missions by leading international experts to help policy makers in SPECA in addressing existing weaknesses in the national innovation systems

B.4. Establish mechanisms for regional cooperation on regulatory coordination and harmonization related to the promotion of innovation;

B.5. Identify obstacles to regional cooperation in innovation policies for sustainable development and agree on measures for eliminating or reducing these obstacles;

B.6. Report periodically on progress against relevant SDGs, targets and indicators, and share best practices;

B.7. Cooperate in applying the methodology for a subregional innovation policy index and using it to measure progress in upgrading national innovation policies;

B.8. Agree on a set of innovation policy issues addressing sustainable development challenges that are of high priority to the SPECA countries and where international cooperation can generate regional synergies and economies of scale;

B.9. Strengthen efforts in undertaking regular national Innovation for Sustainable Development Reviews; and

B.10. Consider organising an annual regional Forum on collaborative innovation policy issues relevant for sustainable development such as open science, open innovation, social innovation, etc.

C. Regional networking and cooperation

C.1. Establish a SPECA Network for Innovation Policies for Sustainable Development with the participation of key stakeholders from the SPECA countries supported by a joint SPECA research and innovation portal for information and knowledge exchange;

C.2. Establish mechanisms for regular regional consultations among SPECA countries on innovation policies for sustainable development of common interest, including conclusions and recommendations from the national Innovation for Sustainable Development Reviews;

C.3. Identify through consultations sustainable development challenges that are of high priority to the SPECA countries and call for trans-border/regional cooperation and approaches;

C.4. Consider the possibilities and conditions for establishing of SPECA Innovation Partnerships, drawing on the successful example of EU's European Innovation Partnerships, to bolster cooperative regional innovative solutions to sustainable development challenges and develop relevant mechanisms of risk sharing in implementing such projects;

C.5. Discuss possible joint activities and policies supporting the establishment of regional supply chains, which help share innovative technologies and organizational methods of production and trade, notably in innovative products and support SPECA countries' enterprises in cross-border activities; and

C.6. Consider organising an international competition for SPECA innovation projects, mostly oriented towards young innovators from the region.

D. Technology transfer and support to innovative entrepreneurs

D.1. Propose coordinated policy measures supporting international linkages of SPECA countries with global technological value chains, including coordinated strategic approaches to FDI;

D.2. Discuss and propose options for establishing a joint regional technology transfer office to support the transfer of innovative technologies and the commercialization of innovations addressing sustainable development challenges in the region;

D.3. Establish cooperative relations with the UN Technology Facilitation Mechanism with a view to ensuring wide international multi-stakeholder collaboration as well as sharing and drawing on best practices of technology transfer;

D.4. SPECA countries may consider establishing a joint Sustainable Development Innovation Fund for early stage support to innovative entrepreneurs and assistance to acceleration programmes for innovative start-up businesses in sustainable development undertakings in SPECA countries with the participation of SPECA countries and the international donor community; and

D.5. SPECA countries may identify and agree on a set of possible joint regional projects on innovation activities for sustainable development, where international cooperation can generate regional synergies and economies of scale, and approach international donor agencies regarding possible funding of prefeasibility and feasibility studies for pilot projects.

E. Global cooperation

E.1. Support cooperation with existing global initiatives such as the UN Technology Facilitation Mechanism, the UN Forum on Science, Technology and Innovation for the Sustainable Development Goals and the Inter-Agency Task Team for Science, Technology and Innovation for SDG; and

E.2. Liaise with peer international structures for an expert dialogue and mobilising additional expertise and resources including such facilitating technology transfer for sustainable development undertakings.

F. Awareness raising

F.1. Organise promotional campaigns for the broad public in each SPECA country to enhance the awareness on technology and innovation in society and the creation of a culture of innovation;

F.2. Plan and conduct promotional operations for awareness raising among the broad public on the objectives and activities of the SPECA Innovation Strategy for Sustainable Development; and

F.3. Organize a series of dissemination activities to familiarize stakeholders and the wider public in the region with the achievements and good practices of each SPECA country in promoting innovation and addressing sustainable development challenges.

The Draft Outline of the Strategy also calls on those SPECA countries that have not done so yet to develop and adopt National Strategic Sustainable Development Programmes and allocate a special focus on innovation policies that support sustainable development and projects in these programmes.

Timeline

The SPECA Innovation Strategy for Sustainable Development could have an implementation horizon which matches the target date of the SDGs, namely the year 2030, subject to consultations among the governments of the SPECA countries which would also agree on its starting point. The starting implementation date may also depend on the available and accessible resources to be allocated for strategy implementation.

Resources

The SPECA Innovation Strategy for Sustainable Development is a framework for regional cooperation and international technical cooperation and assistance. Implementation will require the allocation of adequate resources by the SPECA countries, including the organization and hosting of events and support to networking among stakeholders. The main resource input expected from the SPECA countries will be human resources in terms of expertise and effort.

To ensure proper coordination of the national efforts, each country would be expected to nominate a national Focal Point (an individual who would be supported by an institution or a national team) who would lead the process of elaboration of the Strategy and its implementation.

Additional resources could be mobilized from international donors such as ADB and CAREC, which may also be invited to join and assist the implementation of the Strategy. UNECE and ESCAP will consider their support to the Strategy within their available budgetary and extrabudgetary resources. UNECE and ESCAP may also approach their development partners for eventual support to activities envisaged within the Strategy.

Governance

Oversight of progress on the SPECA Innovation Strategy for Sustainable Development will rely on existing intergovernmental structures such as the SPECA Governing Council and the SPECA Thematic Working Groups (in the first place, the Working Group on Knowledge-based Development). There may be a need to update the terms of reference of the SPECA

Working Group on Knowledge-based Development, subject to approval of the SPECA Governing Council.

Implementation at the national level will be led and coordinated by the respective national Focal Points and their teams. In the process of elaborating the Strategy, the national Focal Points will organise a comprehensive awareness-raising campaign to inform all relevant stakeholders in their country as well as the general public of the initiative to elaborate a SPECA Innovation Strategy for Sustainable Development, its objectives and proposed activities. In the process of finalization of the Strategy documents the national Focal Points will form an Editorial Team which with the task to produce a mutually agreed text of the Strategy, to be submitted for consideration by the SPECA Governing Council. In the process of Strategy implementation, the national Focal Points will coordinate among themselves the most efficient ways and means of implementing cooperation activities of cross-border nature.

To ensure effective governance, the Governments of the SPECA countries will organize monitoring on the basis of periodic Monitoring and Evaluation Reports which will be submitted to and reviewed by the SPECA Governing Council. In the first instance, these may be based on progress checks against the targets and indicators of SDG9 and other relevant SDGs, and may over time develop additional indicators based on an innovation policy index adapted to the region. The national Focal Points and their teams will be responsible for preparing the inputs for these reports which will be compiled with support from the SPECA Working Group on Knowledge-based Development and will take the form of national reviews of progress in implementing the SPECA Innovation Strategy. On the basis of the implementation outcomes reported in the periodic Monitoring and Evaluation Reports, the Governing Council may decide to introduce changes in the Strategy.
