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## Economic Commission for Europe

### Committee on Economic Cooperation and Integration

#### **Fifth session**

Geneva, 1-3 December 2010

Item 5 of the provisional agenda

#### **Programme of work for 2011 and beyond**

## **Draft Programme of Work for 2011 and Beyond**

### **Note by the secretariat**

#### **I. Background**

1. In accordance with its Terms of Reference, the Committee on Economic Cooperation and Integration (CECI) promotes a policy, financial and regulatory environment conducive to economic growth, innovative development and higher competitiveness in the UNECE region. The Committee serves as a platform for policy dialogue, the exchange of experience and good practices; drawing on this dialogue, it develops guidelines and policy recommendations for Governments. This policy-oriented and normative work provides a basis for demand-driven policy advisory services and other capacity-building activities in the mandated areas.

2. Since its inception in 2006, CECI has undergone two biennial programming cycles. The Programme of Work for 2006-2008 was adopted at the first session of the Committee, 27-28 September 2006, and the Programme of Work for 2009-2010 was adopted by the third session of CECI, 3-5 December 2008. The two biennial programmes of work were subsequently approved by the Executive Committee.

3. At its thirty-fifth meeting (31 March 2010), the Executive Committee discussed measures for the harmonization of the format of the sectoral committees' documents on the programme of work (Informal document No. 2010/5). The Executive Committee recommended introducing a uniform format of sectoral committees' documents on the programme of work in order to achieve the following objectives:

- (a) To improve and harmonize the format in which programmes of work are presented which would make programmes of work comparable across subprogrammes;
- (b) To harmonize the timeframe for which programmes of work are agreed by sectoral committees and to bring it in line with the UN biennial budget cycle;

(c) To better reflect the results-based planning approach within the UN secretariat activities and outputs would be linked to expected accomplishment and indicators of achievement. In this way work programme structure would also be consistent with the budgetary strategic framework and the framework used for the biennial evaluations of subprogramme performance; and

(d) The new document on the programme of work would also contain the relevant legislative mandates emanating from the General Assembly, the Economic and Social Council or the Commission.

4. The Executive Committee recommended that the new uniform format of sectoral committees' documents on the programme of work be introduced by sectoral committees starting with the programme of work for the 2012-2013 biennium.

5. The first two CECI biennial programming cycles were not aligned with the UN biennial budget cycle and therefore an adjustment is needed to achieve such an alignment. Following a series of consultations within the UNECE secretariat, and between the secretariat and the CECI Bureau, it was suggested to propose to the fifth CECI session to discuss in the context of Item 5 of the Provisional Agenda concrete proposals for the CECI Programme of Work for 2011 only, as well as the general directions of work for the years after. Consequently, the CECI Programme of Work for 2012-2013 would be submitted for discussion and adoption at the sixth session of CECI due in 2011.

6. At its fourth session (28-30 September 2009), CECI invited the Teams of Specialists to consider at their sessions in 2010 proposals for their future work and contribute these proposals to the discussions on the CECI Programme of Work for 2011 and beyond. These proposals have been reviewed by the CECI Bureau in consultations with the secretariat and have served as the basis for the preparation of the present document.

7. At its fourth session, CECI also discussed the results of the biennial performance evaluation of the subprogramme for the period 2008-2009. The suggestions emanating from this discussion have been taken into account in the preparation of the present document.

8. The format of the draft CECI Programme of Work (Annex) follows the spirit of the Executive Committee recommendations on the uniform format of sectoral committees' documents on the programme of work. However, being an intermediate a transitory step towards full harmonization and due to the fact that it only covers comprehensively one year of programming (2011), the draft CECI Programme of Work only aims at partial harmonization. Full harmonization is expected to be achieved starting with the CECI Programme of Work for 2012-2013.

9. To facilitate the transition to the new format, section III outlines the envisaged main CECI activities and outputs in the traditional format of presenting the CECI Programme of Work. Annex presents the draft Programme of Work for 2011 in a format which is consistent with the harmonized model structure.

## **II. Basic principles of structuring the CECI Programme of Work**

10. In accordance with the CECI Terms of Reference, its Programme of Work covers several focus/thematic areas: innovation and competitiveness policies; entrepreneurship and enterprise development; financing innovative development; public-private partnerships; commercialization and protection of intellectual property rights; fostering wider and deeper international economic integration in the UNECE region. The CECI Terms of Reference stress the importance of capacity-building activities and policy advisory services in the mandated areas of work.

11. CECI promotes a broad multistakeholder policy dialogue and exchange of national experiences and good practices which serves to draw policy recommendations, guidelines and other regulatory measures (normative work). In turn, the results of such work serve as the basis for undertaking capacity-building activities and policy advisory services in requesting Member States, mostly in countries with economies in transition.

12. During the first CECI programming cycle (2006-2008), there was greater emphasis in the Programme of Work on normative work with a view to establishing a sound fundament of all other related CECI activities. In later years, priority has been gradually shifting towards capacity-building activities and policy advisory services, mostly due to growing demand for such activities by countries with economies in transition.

13. This notwithstanding, normative work cannot be neglected in the future as it develops the base on which technical cooperation work is built. Thus in accordance with the CECI Programme of Work for 2009-2010, work was started on translating the results of normative work carried out during the 2007-2008 period into training materials and modules, to be used in capacity-building and related activities. Such work is likely to grow in importance in the future.

14. In recent years, there has been an increasing focus on integrated activities that cut across several focus/thematic areas. Such an approach, which is based on existing interconnectedness and complementarities among focus areas, makes it possible to achieve greater synergies.

15. A new type of recent CECI activities are the integrated policy-oriented and capacity-building events, which combine learning components with knowledge sharing and exchange of good policies and practices among participants. Such events have been appraised highly by participants.

16. Recently, there has been an emerging demand for a new type of policy advisory service, namely, the national Innovation Performance Reviews. This is a participatory policy advisory service jointly undertaken by a group of international and national experts with a view to identifying possible policy actions aimed at stimulating innovation activity in the country, enhancing its innovation capacity and improving the efficiency of the national innovation system. The Team of Specialists on Innovation and Competitiveness Policies (TOS-ICP) at its third session (Geneva, 25–26 March 2010) fully endorsed the initiative for this new activity (document ECE/CECI/ICP/2010/2).

17. The CECI Teams of Specialists and networks of experts have established themselves as important pillars of programme implementation. The Committee will continue to rely on their active role in identifying and disseminating good practices in their respective focus areas as well as in related capacity-building activities and policy advisory services.

18. The implementation of the CECI Programme of Work, including the envisaged capacity-building activities will continue to be carried out in close cooperation with partner organizations operating in the UNECE region. Drawing on its successful past experience, the secretariat will also continue its efforts to actively engage the private sector in programme implementation and to stimulate a broad multistakeholder dialogue on issues addressed in the Programme of Work.

19. The capacity of the secretariat to respond to the growing demand for capacity-building activities and policy advisory services is limited by the available budgetary and extrabudgetary resources. The secretariat has been active in raising extrabudgetary resources but there is also a limit to the absorption capacity regarding such resources as the implementation of extrabudgetary projects is also resource-demanding in view of the implied support effort by the secretariat.

### III. Main activities and outputs in 2011

#### A. Policy-oriented and normative work

20. Regular sessions of the CECI Teams of Specialists:

(a) Third session of the Team of Specialists on Public-Private Partnerships (TOS-PPP), tentatively scheduled for 7-8 February 2011. The session is due to review progress in developing the UNECE Toolkit on How to Do PPPs and discuss implementation steps for its completion. It would also consider draft policy recommendations on strengthening governance in public-private partnerships, to be submitted to the sixth CECI session;

(b) Fourth session of the TOS-ICP, tentatively scheduled for 12-13 May 2011. The session is due to include a substantive segment with a tentative thematic orientation on the relations between education and research institutions, industry and government (subject to further consultations). The session would also consider implementation steps for preparing a policy document based on the substantive segment; and

(c) Fifth session of the Team of Specialists on Intellectual Property (TOS-IP), tentatively scheduled for 6-8 July 2011. The session is due to include a substantive segment with a tentative thematic orientation on policies to raise awareness of the role of intellectual property rights (IPRs) in innovation and the dangers and economic costs of IPR infringements. The session would also consider implementation steps for preparing a policy document based on the substantive segment.

21. Integrated policy-oriented events, addressing several focus/thematic areas:

(a) International conference on the role of innovation policies in addressing environmental and energy-related challenges, to be jointly organized with the Government of Israel; and

(b) International conference on bringing science and entrepreneurship together to foster innovation-based growth, to be jointly organized with the Government of Ukraine.

22. Normative work based on the multistakeholder policy debates and the exchange of good practices and policies:

(a) Policy recommendations on strengthening good governance in PPPs, second phase;

(b) Guidelines in the area of procurement in PPPs with a view to the elaboration of a good practice guide on the modalities of organizing open, transparent and competitive tenders for PPPs;

(c) Policy options to foster the financing and development of clean technologies;

(d) Synopsis of good practices on the relations between education and research institutions, industry and government (subject to further consultations); and

(e) Good practices and policy recommendations on raising awareness of the role of IPRs in innovation and the dangers and economic costs of IPR infringements.

23. Policy-oriented publications:

(a) Comparative Review of PPP legislation in the countries of Central Asia (to be prepared in cooperation with the subregional networks of PPP experts in Central Asia);

(b) Publication on issues in IP commercialization and enforcement in transition economies; and

(c) Publication on a national Innovation Performance Review (subject to expression of interest by a requesting country and availability of extrabudgetary funding).

## **B. Capacity-building activities and policy advisory services**

24. Field-based capacity-building events, combining learning components with knowledge sharing and exchange of good policies and practices:

(a) Subregional capacity-building workshop on PPPs for Southeast European countries, to be organized in cooperation with the Regional Cooperation Council and the Croatian PPP Unit;

(b) Subregional capacity-building workshop on new opportunities for infrastructure development in the regions of the Russian Federation and of other CIS countries, to be organized in cooperation with the PPP Centre of the Vnesheconombank, the Moscow Higher School of Economics, and UNDP;

(c) Subregional capacity-building and knowledge-sharing workshop on the status of PPP legislation in Central Asia, to be organized in cooperation with the subregional networks of PPP experts in Central Asia;

(d) Capacity-building seminar on promoting innovative entrepreneurship, to be jointly organized with the Israel's Agency for International Development Cooperation;

(e) Field-based workshop on presenting the Innovation Performance Review of Belarus and its main conclusions combined with a knowledge-sharing component;

(f) Capacity-building seminar on legal aspects of information and communication technologies (ICT) policy for promoting innovation-based competitiveness and eCommerce development for Central Asian countries;

(g) Subregional knowledge-sharing event on IPR valuation, to be organized in cooperation with the Kyrgyz Patent Office;

(h) Subregional capacity-building seminar on IPR commercialization and enforcement, to be organized in cooperation with the Intellectual Property Office of Serbia; and

(i) Subregional capacity-building seminar on knowledge-based development in SPECA member countries (in the context of the SPECA Project Working Group on Knowledge-based Development).

25. Other field-based policy advisory services.

(a) Undertaking a national Innovation Performance Review (subject to expression of interest by a requesting country and availability of extrabudgetary funding); and

(b) Policy advice mission of the PPP Business Advisory Group in Ukraine.

26. Development of training materials and modules and other knowledge enhancing tools:

(a) Finalizing the UNECE Toolkit on How to Do PPPs;

(b) Preparation of a set of computer-based training modules on the financing of innovative enterprises;

(d) Development of training modules on policy options and instruments for enhancing the innovative performance of firms (first phase); and

- (e) Preparation of training modules on IPR commercialization and enforcement.

#### **IV. Main directions of work beyond 2011**

27. As the Programme of Work for 2012-2013 is due to be adopted at the sixth CECI session to be held in 2011, specific activities and outputs beyond 2011 are not discussed in this document which only seeks to outline the main directions of future work.

28. The proposals on future directions of work submitted by the TOS-ICP and TOS-IP in the context of the discussions on the CECI Programme of Work for 2009 (details available in documents ECE/CECI/ICP/2010/2 and ECE/CECI/IP/2010/2) contain valuable and constructive ideas about further strengthening of future work in these areas. The Teams, including TOS-PPP are encouraged to continue these discussions in 2011 as well.

29. It is envisaged that the CECI Programme of Work beyond 2011 will continue to cover its established focus/thematic areas: innovation and competitiveness policies; entrepreneurship and enterprise development; financing innovative development; public-private partnerships; commercialization and protection of intellectual property rights; fostering wider and deeper international economic integration in the UNECE region.

30. It is expected that in the future there will be an even stronger emphasis on capacity-building activities and policy advisory services, without undermining the importance and role of normative work. This ongoing shift is likely to be reflected in the overall future composition of activities and outputs, with an increasing share of capacity-building activities and policy advisory services. While the share of normative work may be reduced, its level in absolute terms is not expected to decline. As already noted, such work cannot be neglected as it develops the base on which technical cooperation work is being carried out.

31. In view of the highly specialized character of some of the future topics that could be addressed by CECI Teams of Specialists and networks of experts, there may be a need in the future to establish specialized task forces of experts with relevant background and expertise, who may hold meetings with a special focus. These task forces will report their work to the relevant Teams of Specialists and the substantive content of these meetings could form the core substance of possible thematic publications. In parallel, there could be larger and broader conferences to present final outputs.

32. Capacity-building and training events will continue to be organized in close cooperation with national and international partner organizations. Reflecting the evolution of demand from Member States, it is envisaged that these events will go increasingly into depth and will have more specialized thematic coverage, while also reflecting differing national framework conditions and needs. This orientation is also in line with what other relevant organizations and bilateral capacity-building and training programmes are offering.

33. The preparation of national Innovation Performance Reviews, subject to the demand of interested countries and the availability of resources to conduct them, could become an important focus for the activity of the TOS-ICP and TOS-IP and the supporting networks of experts in other thematic areas.

34. The assessment resulting from such Reviews could serve to better identify needs, so these can be addressed through follow-up capacity-building activities, which will remain a main direction of the future CECI work. The preparation of the Reviews would also provide opportunities for targeted training and knowledge-sharing workshops between international and national experts.

35. It would be desirable if the CECI Teams of Specialists consider during their sessions in 2011 concrete proposals for future activities and outputs in the next programming cycle.

These proposals could be then reviewed by the Bureau in consultations with the secretariat with a view of preparing a draft CECI Programme of Work for 2012-2013 to be submitted for consideration by the sixth CECI session.

## **V. Performance Evaluation of the Subprogramme for 2010-2011**

36. The UNECE Member States agreed at the Commission session in 2004 to place more emphasis on evaluation as a tool in managing the Commission's work. The sectoral committees were therefore requested by the Commission to conduct biennial evaluations of their respective subprogrammes and to take into account the results of these evaluations in determining their work programmes.

37. CECI carried out its first biennial evaluation in the biennium 2008-2009. The next biennial evaluation will accordingly cover the 2010-2011 biennium. As mandated by the Commission, the evaluation will be based on the same results-based methodology, including expected accomplishments and indicators of achievements, used in the Strategic Framework for the Economic Cooperation and Integration subprogramme approved by the General Assembly (A/63/6(Progr.16)). The biennial evaluation will allow for a more detailed analysis and will reflect adaptations made to the Programme of Work since the adoption of the Strategic Framework. It will also take into account lessons learned from the previous exercise.

38. As was the case in the previous evaluation, the 2010-2011 biennial evaluation will give an opportunity for the members of the Committee and its Teams of Specialists to review and reaffirm the relevance of the activities and their clusters in view of the subprogramme's objectives. To this end, the secretariat will circulate a questionnaire among the members of CECI and its Teams of Specialists during the second quarter of 2011 to solicit their views on the impact achieved by the subprogramme's activities and on directions for further improvement.

39. A conference room paper on the status of preparations for the 2010-2011 biennial evaluation is due to be prepared and distributed at the fifth CECI session.

## Annex

### **Draft Programme of Work for 2011 presented in the harmonized model structure**

#### **I. Objective and strategy**

The objective of the Subprogramme on Economic Cooperation and Integration is to promote a policy, financial and regulatory environment more conducive to economic growth, innovative development and higher competitiveness of enterprises and economic activities in the UNECE region.

The responsibility for the subprogramme is vested in the Economic Cooperation and Integration Division. In order to achieve its objective, the subprogramme will take up key aspects of economic development and integration and focus mainly on countries with economies in transition. It will facilitate the application of experience gained, lessons learned and good practices conducive to economic growth and innovative development. Recommendations aimed at creating a policy, as well as a financial and regulatory, environment conducive to economic development, investment and innovation will be drawn up. Greater emphasis will be placed on delivering policy advice and capacity-building activities to requesting countries, on the basis of the related policy dialogue, exchange of experience and good practices as well as guidelines and other policy-related documents.

#### **II. Outputs/activities to be delivered in 2011**

**Cluster 1 Policy-oriented and normative work targeting a policy, financial and regulatory environment more conducive to economic growth, innovative development and higher competitiveness of enterprises and economic activities in the UNECE region**

##### **Accomplishments expected from this cluster:**

- (a) Increased knowledge of good practices and policies on financial and regulatory environment conducive to economic growth, innovative development and higher competitiveness of enterprises and economic activities leading to the formulation of related UNECE policy recommendations; and
- (b) Enhanced implementation of the aforementioned UNECE policy recommendations.

##### **Outputs/activities:**

###### Regular sessions of the CECI Teams of Specialists:

- (a) Third session of the Team of Specialists on Public-Private Partnerships;
- (b) Fourth session of the Team of Specialists on Innovation and Competitiveness Policies; and
- (c) Fifth session of the Team of Specialists on Intellectual Property.

Integrated policy-oriented events, addressing several focus/thematic areas:

(a) International conference on the role of innovation policies in addressing environmental and energy-related challenges, to be jointly organized with the Government of Israel; and

(b) International conference on bringing science and entrepreneurship together to foster innovation-based growth, to be jointly organized with the Government of Ukraine.

Normative work based on the multistakeholder policy debates and the exchange of good practices and policies:

(a) Policy recommendations on strengthening good governance in PPPs, second phase;

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(c) Policy options to foster the financing and development of clean technologies;

(d) Synopsis of good practices on the relations between education and research institutions, industry and government (subject to further consultations); and

(e) Good practices and policy recommendations on raising awareness about the role of IPRs in innovation and the dangers and economic costs of IPR infringements.

Publications and other information material:

(a) Comparative Review of PPP legislation in the countries of Central Asia (to be prepared in cooperation with the subregional networks of PPP experts in Central Asia);

(b) Publication on issues in IP commercialization and enforcement in transition economies; and

(c) Publication on a national Innovation Performance Review (subject to expression of interest by a requesting country and availability of extrabudgetary funding).

**Cluster 2 Capacity-building activities and policy advisory services facilitating the application of experience gained, lessons learned and good practices conducive to economic growth and innovative development**

**Accomplishment expected from this cluster:** Strengthened national capacity in countries with economies in transition to promote the good practices and implement the aforementioned UNECE policy recommendations.

**Outputs/activities:**Field-based capacity-building events, combining learning components with knowledge sharing and exchange of good policies and practices:

(a) Subregional capacity-building workshop on PPPs for Southeast European countries, to be organized in cooperation with the Regional Cooperation Council and the Croatian PPP Unit;

(b) Subregional capacity-building workshop on new opportunities for infrastructure development in the regions of the Russian Federation and of other CIS countries, to be organized in cooperation with the PPP Centre of the Vnesheconombank, the Moscow Higher School of Economics, and UNDP;

- (c) Subregional capacity-building and knowledge-sharing workshop on the status of PPP legislation in Central Asia, to be organized in cooperation with the subregional networks of PPP experts in Central Asia;
- (d) Capacity-building seminar on promoting innovative entrepreneurship, to be jointly organized with the Israel's Agency for International Development Cooperation;
- (e) Field-based workshop on presenting the Innovation Performance Review of Belarus and its main conclusions combined with a knowledge-sharing component;
- (f) Capacity-building seminar on legal aspects of information and communication technologies (ICT) policy for promoting innovation-based competitiveness and eCommerce development for Central Asian countries;
- (g) Subregional knowledge-sharing event on IPR valuation, to be organized in cooperation with the Kyrgyz Patent Office;
- (h) Subregional capacity-building seminar on IPR commercialization and enforcement, to be organized in cooperation with the Intellectual Property Office of Serbia; and
- (i) Subregional capacity-building seminar on knowledge-based development in SPECA member countries (in the context of the SPECA Project Working Group on Knowledge-based Development).

Other field-based policy advisory services:

- (a) Undertaking a national Innovation Performance Review (subject to expression of interest by a requesting country and availability of extrabudgetary funding); and
- (b) Policy advice mission of the PPP Business Advisory Group in Ukraine.

Publications and other information material (training materials and modules and other knowledge enhancing tools):

- (a) Finalizing the UNECE Toolkit on How to Do PPPs;
- (b) Preparation of a set of computer-based training modules on the financing of innovative enterprises;
- (d) Development of training modules on policy options and instruments for enhancing the innovative performance of firms (first phase); and
- (e) Preparation of training modules on IPR commercialization and enforcement.

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