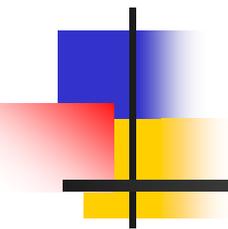
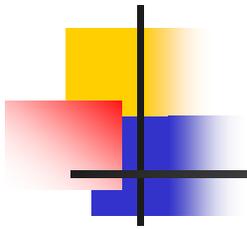


The Committee on Economic Cooperation and Integration: Status of Programme Implementation



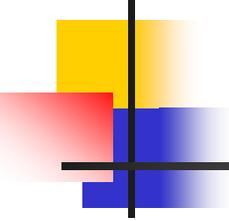
Presentation by Matti Pietarinen, Chairman
of the Committee on Economic Cooperation and
Integration (CECI)

at the fourth session of CECI
Geneva, 28–30 September 2009

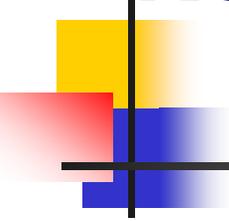


Highlights of the Presentation

- 1. The global financial crisis and knowledge-based development: What have we learned?**
- 2. The CECI Programme of Work and its implementation in 2009**
- 3. Highlights of planned CECI activities in 2010**



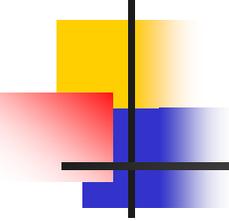
**The global financial crisis
and knowledge-based
development: What have
we learned?**



Responding to the new challenges

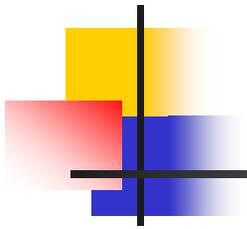
- **CECI responses to the global economic and financial crisis:**
 - The role of CECI in the global economic and financial crisis was discussed at the third session of CECI, December 2008
 - CECI recommended to take due consideration of the current crisis in future activities
- **Two main activities in 2009:**
 - Survey on the effects of the global crisis among CECI experts
 - Policy discussion at the International Conference held in conjunction with the fourth CECI session and at other CECI events

Promoting innovation in times of crisis: Some results from the Survey



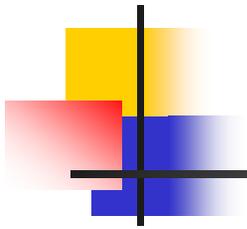
- **The global crisis has established a new landscape for investors and innovation actors**
- **New challenges in promoting innovation**
 - Lack of financing has been identified as the most important challenge
 - All phases of the venture capital cycle (fundraising, investing and exit) have been negatively affected
 - Overall, VC-investors are being more cautious and valuations have been reduced
 - An increased reliance on public sector funding
 - At the same time, the financial situation of R&D organizations and companies has generally weakened
 - Companies are likely to focus on innovations that reduce costs/increase efficiency rather than on launching new product (process rather than product innovation)
 - There is growing demand for more flexible solutions and models such as “open innovation”

The role of knowledge-oriented policy in times of crisis

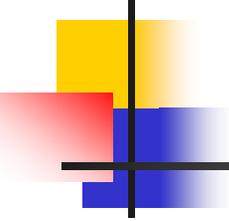


■ The expectations for policy responses

- The public sector has a growing role
- Policy responses vary: countries give a different weight to innovation policies depending on their different starting points
- The hardening of budget constraints requires to raise the effectiveness of public knowledge-oriented policies
- Support of SMEs has high priority in anti-crisis packages...
- ... As has support of networking activities among firms
- The public investment in innovation and knowledge-oriented policies will not increase much in the short to medium term
- In view of financing constraints, non-financial policy instruments (like innovation brokerage or support to networking) may grow in importance



The CECI Programme of Work 2009



The CECI Programme of Work

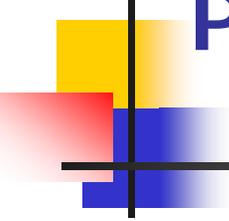
■ Main focus areas:

- innovation and competitiveness policies
- entrepreneurship and enterprise development
- financing innovative development
- public-private partnerships
- commercialization and protection of intellectual property rights
- other aspects of economic cooperation and integration

■ Subsidiary bodies:

- Team of Specialists on Intellectual Property
- Team of Specialists on Innovation and Competitiveness Policies
- Team of Specialists on Public-Private Partnerships

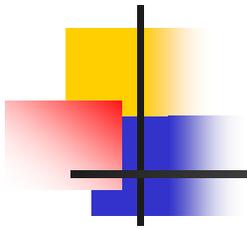
■ The Programme of Work for 2009-2010 was adopted at the third session of CECI (December 2008)



Basic principles in structuring the Programme of Work for 2009-2010

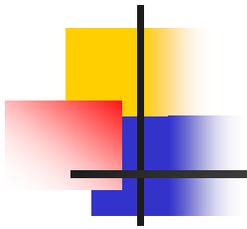
- Capacity-building activities and other technical cooperation services are assigned greater emphasis
- The results of normative work carried out during the 2006-2008 should be translated into capacity-building and training materials and modules
- Correspondingly, the policy-oriented and normative work should be reduced in 2009-2010 compared to the previous programming period (two of the Teams of Specialists do not have formal meetings in 2009)
- In policy-oriented and capacity-building activities some or all focus areas should be integrated to signal their complementariness

Integrated policy-oriented and capacity-building activities



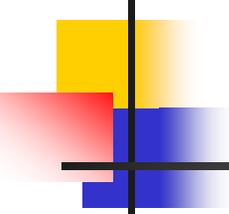
- A new type of integrated activities; cut across several CECI thematic areas
- Mostly field-based, organized on subregional basis (involve participants from several countries)
- Combine learning components with knowledge sharing and discussion of good policies and practices among participants
- Involve the participation of leading international experts and national experts

Integrated policy-oriented and capacity-building activities (continued)



- **International Conference on Ways and Means of Attracting External Finance for New Innovative Enterprises, Astana, Kazakhstan, 21 and 22 May 2009**
 - Jointly organized by the UNECE and the Ministry of Economic Affairs and Budget Planning of the Republic of Kazakhstan
 - Addressed three CECI thematic areas: entrepreneurship and enterprise development; financing innovation and intellectual property
 - Some 100 national and international experts from 13 UNECE member States and from international bodies participated
 - The conference discussed major issues of financing of innovative enterprises and paid particular attention to the commercialization of R&D results in strengthening the capacity of innovative enterprises to attract external funding.

Integrated policy-oriented and capacity-building activities (continued)



- **The International Conference on Knowledge-based Development, Minsk, Republic of Belarus, 10-12 June 2009**
 - Organized in response to a request by the Government of the Republic of Belarus, in cooperation with other national and international partners
 - Addressed four CECI thematic areas: innovation and competitiveness policies; financing innovation; intellectual property and public-private partnerships
 - Each session included knowledge-sharing among participants
 - More than 250 participants including leading international and national experts from 15 UNECE member States as well as participants from 10 CIS countries
 - Participants considered it as an important milestone in the efforts by the international community to promote knowledge-based development

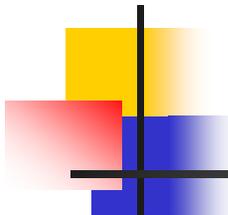
Thematic policy-oriented and capacity-building activities:

Innovation and competitiveness policies

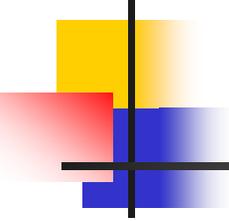
- **International Conference on Technological Readiness for Innovation-based Competitiveness: Promoting an Enabling Information and Communication Technology Policy and Regulatory Framework, 29-30 June 2009, Geneva**
 - Organized in accordance with the CECI Programme of Work for 2009
 - Some 70 experts from 22 UNECE member States and international organizations participated
 - The Conference addressed the following topics: ICT as a driver of innovation-based competitiveness; ICT and open innovation – opportunities and challenges; ICT as an engine of entrepreneurship and a source of new business opportunities; the innovation-driven competitive society.
 - The Conference provided opportunities for knowledge sharing as well as for discussion of good policies and practices among participants

Thematic policy-oriented and capacity-building activities:

Intellectual property



- **Subregional Seminar on the Role of Intellectual Property Rights in Technology Transfer: Problems, Solutions, Examples from Turkey and World, Ankara, Turkey, 12-13 March 2009**
 - Co-organized by the TOS-IP and the Turkish Patent Institute
 - With the participation of leading international experts and attended by some 50 IP experts from Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkey
 - The Seminar discussed international good practices and national experiences on the management of IPRs at public research organizations, and ways and means through which IP offices and other agencies can facilitate the successful commercialization of university-generated IPs.
 - The Seminar combined learning elements with knowledge sharing among participants



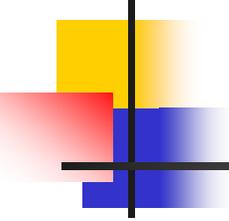
Intellectual property (continued)

- **Subregional Seminar on the Commercialization and Enforcement of Intellectual Property Rights, Skopje, the former Yugoslav Republic of Macedonia, 1 - 3 April 2009.**
 - Co-organized by the TOS-IP and the State Office of Industrial Property of the former Yugoslav Republic of Macedonia
 - With the participation of leading international experts and attended by some 120 IP experts from South-east Europe
 - The Seminar had two parallel sessions, one discussing the management of IPRs at public research organizations, and the other discussing international good practices and national experiences on IPR enforcement, including the cooperation between rights holders and enforcement agencies.
 - Apart from learning elements, the Seminar provided opportunities for sharing of good practices among participants.

Thematic policy-oriented and capacity-building activities:

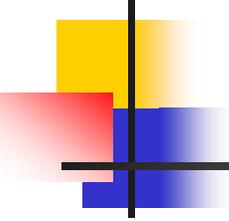
Public-private partnerships

- **Expert Meeting on the Preparation of a Toolkit “How to do PPPs”, London, 14 May 2009.**
 - Discussed a programme of training modules on PPPs and identified first steps in the preparation of the remaining modules
 - Some 40 collaborating experts participated in the meeting
- **Meeting on Promoting Capacity-building in PPPs - PPP Training Center: Bridging the Gap in PPP Knowledge and Skills, London, 14 September 2009.**
 - Discussed the prospects of setting up a centre providing an orientation to governments on the PPP policy, facilitating the involvement of the private sector in PPP capacity-building activities and enhancing research, education and training activities in the area of PPPs.
 - Some 70 collaborating experts participated in the meeting



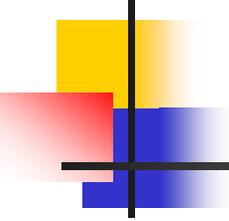
CECI Publications in 2009

- ***Policy Options and Instruments for Financing Innovation: A Practical Guide to Early Stage Financing***
 - Comparative assessment of early stage financing practices and approaches, based on the lessons derived from various national experiences
 - Provides practical guidance in applying various instruments
- ***Enhancing the Innovative Performance of Firms: Policy Options and Practical Instruments***
 - Draws on policy experiences and good practices in the UNECE member States aimed at supporting firms' innovation activities
 - Addresses issues such as the importance of framework conditions, the role of industry-science linkage as well as various options of boosting the efficiency of innovation support institutions
- ***Toolkit on How to do Public-Private Partnerships***
 - A collection of training modules on how to do PPPs - under preparation



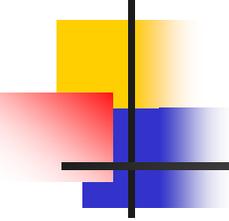
Other aspects of economic cooperation and integration: SPECA

- **SPECA: UN Special Programme for the Economies of Central Asia (jointly implemented with UNESCAP)**
 - Objective: to strengthen subregional cooperation in Central Asia and its integration into the world economy
 - ECID is the UNECE coordinator for the annual SPECA Economic Forum and the SPECA Project Working Group on Knowledge-based Development
- **2009 SPECA Economic Forum “The Role of Subregional Cooperation in Mitigating the Consequences of the Global Economic Crisis”, Bishkek, Kyrgyzstan, 12 November 2009.**



SPECA (continued)

- **SPECA Project Working Group on Knowledge-based Development**
 - Established after a decision by the SPECA Governing Council to expand the mandate of the previous Project Working Group on Information and Communication Technologies
 - Held its inauguration session in Baku, 12 November 2008 and approved its Programme of Work for 2009
- **Second session of the SPECA Project Working Group on Knowledge-based Development**
 - To be held in Bishkek, Kyrgyzstan, 9 November 2009
 - Will be followed by Regional Capacity-building Seminar on Financing of Innovative Enterprises, Commercialization of Intellectual Property and Public-Private Partnerships, Bishkek, 10-11 November 2009 (an integrated policy-oriented and capacity-building event, similar to those held in Astana and Minsk)



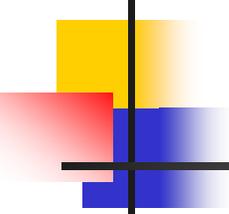
Promoting Cooperation between Governments and Private Sector

Advisory services to governments on PPP

- Consultative Meeting between the Government of the Republic of Kazakhstan and the UNECE Business Advisory Board on Public-Private Partnerships, Astana, Kazakhstan, 13 March 2009

Facilitating the joining of forces of governments and private sector on IPR enforcement issues

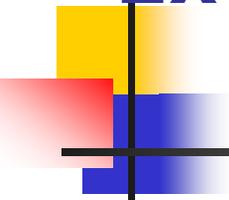
- Working together with different stakeholders from governments and private sector in the organization of capacity-building activities such as those in Ankara and Skopje



Promoting Cooperation between Governments and Private Sector (continued)

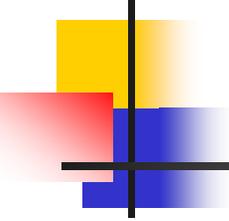
Ongoing Innovative Project "Creating Sustainable Biomass Sector"

- **Cooperation with the private sector along entire logistics chain**
 - Forest and agro residue producers; Transport operators (rail, road, port); International bulk traders; Energy producers (electricity; town heating)
 - Coordinated approach involving all stakeholders: private sector, governments, academia, local communities, NGOs
- **Concrete results in 2009**
 - Project Conference "New Biofuels as a Factor for Sustainable Development of the Forestry Complex and Rational Use of Forest Resources" was held in St. Petersburg from 23 to 25 March 2009 with more than 120 participants
 - At the invitation of the regional governments of the Krasnodar region and the Republic of Tatarstan, capacity-building activities were initiated with enterprises and support institutions in these regions



External support by Governments and Private Sector to CECI activities

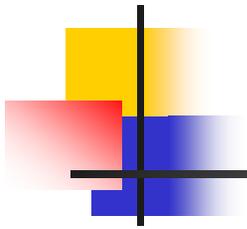
- The expansion of CECI capacity-building activities would not have been possible without the generous extrabudgetary support by donors
- We would like to specifically thank the donors who contributed to CECI activities in 2009 and beyond:
 - The Government of the Russian Federation
 - The United States Patent Office
 - Dolby Laboratories
 - Pfizer
- I would like to invite all stakeholders to explore further possibilities for strengthening their support to CECI capacity building activities



Inter-agency cooperation

- **The implementation of the CECI Programme of Work is being carried out in close cooperation with partner organizations operating in the UNECE region.**
- **Cooperation in programme implementation covers various forms including:**
 - coordination in the planning of programme implementation
 - early warning regarding the scheduling of planned events
 - joint organization of events (conferences, seminars, expert meetings, capacity-building events, etc.)
 - substantive contribution to events organized by the other party
 - sharing of information on experts from different expert networks
- **In 2009, we would like to mention especially very efficient and fruitful cooperation with WIPO, with joint efforts in the organization of several very successful events.**

Highlights of planned CECI activities in 2010 (dates are tentative)



- 3rd Session of the Team of Specialists on Innovation and Competitiveness Policies, 25-26 March or 22-23 April
- International conference on policies to address financing and entrepreneurial challenges in high-growth innovative firms, 20-21 May (Helsinki)
- 4th Session of the Team of Specialists on Intellectual Property, 8-9 July
- 3rd Session of the Team of Specialists on Public-Private Partnerships, 28-29 October
- 5th Session of the Committee on Economic Cooperation and Integration, 1-3 December
- Third session of the SPECA Project Working Group on Knowledge-based Development (date t.b.c.)