



# Economic and Social Council

Distr.: General  
22 January 2019

Original: English

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## Economic Commission for Europe

### Committee on Innovation, Competitiveness and Public-Private Partnerships

#### Thirteenth session

Geneva, 25-27 March 2019

Item 7 of the agenda

#### Programme of Work for 2020

## Proposed programme budget for 2020: Part II. Programme plan and performance information of the Economic Cooperation and Integration subprogramme

### Note by the Secretariat

1. In its resolution A/72/266 “Shifting the management paradigm in the United Nations”, the General Assembly (GA) approved the proposed change from a biennial to an annual budget period on a trial basis, beginning with the programme budget for 2020, and requested the Secretary-General to conduct a review of changes to the budgetary cycle in 2022, following the completion of the first full budgetary cycle. The General Assembly further decided to review at its seventy-seventh session, with a view to taking a final decision, the implementation of the annual budget.
2. The Proposed Programme Budget of the Organization will consist of the following three parts:
  - (a) Part I: the plan outline, which presents the long-term priorities and the objectives of the Organization;
  - (b) Part II: the programme plan and programme performance information for programmes and subprogrammes; and
  - (c) Part III: the post and non-post resource requirements for programmes and subprogrammes.
3. Part I will be prepared by the secretariat at the UN Headquarters, and submitted to the General Assembly through the Committee for Programme and Coordination as a separate document. Parts II and III will be prepared by Secretariat Departments (“budget sections”), including ECE, on an annual basis. They will be submitted to the General Assembly through the Committee for Programme and Coordination (Part II) and the Advisory Committee on Administrative and Budgetary Questions (Part III).

GE.19-00975(E)



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4. The first annual proposed programme budget will be prepared for 2020.
5. Based on the UN Controller's instructions issued in late December 2018, the ECE secretariat prepared the proposed programme budget for 2020 of subprogramme 4 Economic Cooperation and Integration which is shared for information with the Committee on Innovation, Competitiveness and Public-Private Partnerships. The proposed programme budget of subprogramme 4 will subsequently be submitted as part of the ECE budget proposal to the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions at their respective sessions in mid-2019. Their conclusions and recommendations therein will be transmitted to the General Assembly at its seventy-fourth session in 2019 when it considers the Secretary-General's proposed programme budget for 2020.
6. Annex I provides an extract from the draft ECE proposed programme budget for 2020 "Part II. Programme plan and programme performance information" related to subprogramme 4. The programme plan contained in the annex was reviewed by the ECE Executive Committee and the Bureau of the Committee on Innovation, Competitiveness and Public-Private Partnerships.

## Annex

### Subprogramme 4: Economic cooperation and integration



#### A. Objective

1. The objective, to which this subprogramme contributes, is to strengthen innovation, competitiveness and Public-Private Partnerships policies in the ECE region.

#### B. Alignment with the Sustainable Development Goals

2. The objective is aligned with Sustainable Development Goal 8, which is to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Progress towards the attainment of the objective will help to achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors (target 8.2); and promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services (target 8.3).

3. The objective is also aligned with Sustainable Development Goal 9, which is to build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation. Progress towards the attainment of the objective will help to develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all (9.1); by 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities (9.4); enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending (9.5); facilitate sustainable and resilient infrastructure development in developing countries through enhanced financial, technological and technical support to African countries, least developed countries, landlocked developing countries and small island developing States (9.A); and support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities (9B).

4. The objective is also aligned with Sustainable Development Goal 12, which is to ensure sustainable consumption and production patterns. Progress towards the attainment of the objective will help to promote public procurement practices that are sustainable, in

accordance with national policies and priorities (12.7); and support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production (12.A).

5. Furthermore, the objective is also aligned with Sustainable Development Goal 17, which is to strengthen the means of implementation and revitalize the global partnership for sustainable development. Progress towards the attainment of the objective will help to enhance North-South, South-South and triangular regional and international cooperation on, and access to, science, technology and innovation and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, in particular at the United Nations level, and through a global technology facilitation mechanism (17.6); and encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships (17.17).

6. Alignment with the Sustainable Development Goals serves as a framework for contributing to the objective of the subprogramme. Within this framework, the subprogramme will develop cross-sectoral activities with other ECE subprogrammes where there is complementarity between the respective SDGs and targets in line with the nexus areas described in paragraph 10 above.

### **C. Highlighted actual result in 2018**

#### **Standard against corruption in PPPs for Sustainable Development**

7. It is estimated that achieving the Sustainable Development Goals will require investments in infrastructure of US\$3.3 trillion per year globally. The 2030 Agenda recognizes that it is beyond the capacity of Governments alone to mobilize these funds, and that public-private partnerships (PPPs) should be used to complement more traditional approaches to infrastructure financing.

8. The ECE Working Party on PPPs has recognized that corruption has been one of the most significant potential obstacles to scaling up the PPP model for financing the SDGs. For instance, the OECD estimates that bribes consumed 10.9 percent of the total transaction value in public procurement globally in 2014. According to the World Bank, bribes paid in connection with public procurement amount to US\$1 trillion per year around the world.

9. In 2018, ECE organized an extensive consultation process with Governments, infrastructure providers, financial institutions, and civil society from the ECE region and beyond, to address this issue. That resulted in the ECE Working Party on PPPs developing a voluntary international standard on a Zero Tolerance Approach to Corruption in PPP Procurement. The standard was endorsed by the Working Party on PPPs in 2018. For the first time, this standard provides an internationally agreed framework for systematically preventing corruption in PPP procurement. The relevance of the standard is evidenced by the fact that the standard has already been used by Brazil and Saudi Arabia to improve legislation regulating PPP procurement.

10. The result demonstrates progress made in 2018 towards the collective attainment of the objective of the subprogramme.

11. As referred to in the Proposed Programme Budget for 2018-2019, the planned result for 2018 was “Enhanced national implementation of ECE policy recommendations and standards on promoting a policy, financial and regulatory environment conducive to sustained economic growth, innovative development and greater competitiveness”. The result was achieved in 2018 as planned, as evidenced by 7 new measures taken by countries to implement ECE policy recommendations and standards. Measures included

implementation of the standard on zero tolerance to corruption in PPP procurement, the Guidelines on People First PPPs as well as new laws and implementing regulations promoting innovation policies. With this result, the subprogramme contributed to the nexus areas on sustainable use of natural resources; sustainable and smart cities; and sustainable mobility and smart connectivity.

## D. Highlighted planned result for 2020

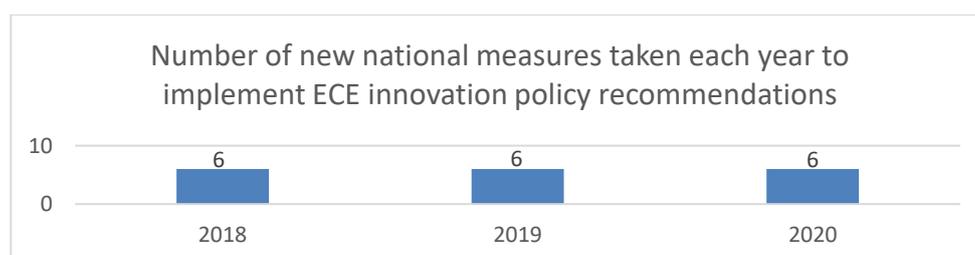
### Innovation Policy Index

12. The 2030 Agenda for Sustainable Development identifies science, technology and innovation as key means of implementation. Promoting innovation is also part of Sustainable Development Goal 9. There are a number of existing efforts to measure innovation in a comparative perspective, including the Global Innovation Index and the Global Competitiveness Index.

13. One finding that emerges clearly from these efforts is that countries differ significantly not only in how many resources they put into innovation, and on how much innovation they are able to generate, but also in how effective they are in translating innovation inputs (i.e. spending) into innovation outputs (i.e. new products and services). Much of this variance comes down to differences in government policies. Policies have a key role to play in encouraging investments in innovation, in steering these investments into areas critical for sustainable development, and in ensuring that investments generate a high social return.

14. In response for 2020, to expand the evidence base for improving such policies, ECE will pilot an Innovation Policy Index with a set of interested member States. The index will allow the subprogramme to analyze in a comparative perspective the innovation policies of different countries, to identify which policies are effective, and to recommend policy improvements to our member States on this basis.

15. The expected result would be a stronger evidence base for providing advice on innovation policy, and more relevant policy recommendations on innovation for sustainable development. The expected result, if achieved, will be evidenced by the number of new policy recommendations on innovation for sustainable development implemented by Member States, as shown in the figure below.



16. The result, if achieved, will demonstrate progress made in 2020 towards the collective attainment of the objective of the subprogramme. It will contribute to the nexus areas on sustainable use of natural resources and measuring and monitoring SDGs implementation.

17. The following General Assembly resolutions comprise the main mandates entrusted to the subprogramme: resolution [72/228](#) Science, technology and innovation for development, and resolution [72/200](#) Information and communications technologies for development. The subprogramme will continue to be guided by all mandates entrusted to it, which provides the legislative framework for its deliverables.

## E. Deliverables for the period 2018–2020

18. The table below lists all deliverables, by category and subcategory, for the period 2018-2020 that would contribute to the attainment of the objective stated above.

<i>Category</i>	<i>2018</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
	<i>planned</i>	<i>actual</i>	<i>planned</i>	<i>planned</i>
<b>Quantified deliverables</b>				
<b>A. Facilitation of the intergovernmental process and expert bodies</b>				
Parliamentary documentation (number of documents)	18	18	18	18
Substantive services for meetings (number of three-hour meetings)	19	19	19	19
<b>B. Generation and transfer of knowledge</b>				
Technical cooperation and field projects (number of projects)	2	2	2	2
Seminars, workshops and training events (number of days)	24	24	24	24
Publications (number of publications)	2	2	3	3
<b>Non-quantified deliverables</b>				
<b>C. Substantive deliverables</b>				
Fact-finding, monitoring and investigation missions				
Consultation, advice and advocacy				
Databases and substantive digital materials				
<b>D. Communication deliverables</b>				
Outreach programmes, special events and information materials				
External and media relations				
Digital platforms and multimedia content				

## F. Most significant relative variances of deliverables

### Variances between the actual and planned figures in 2018

19. No variances.

### Variances between the planned figures for 2019 and 2020

20. No variances.