



Economic Commission for Europe

Committee on Innovation, Competitiveness and Public-Private Partnerships

Team of Specialists on Innovation and Competitiveness Policies**Fifteenth session**

Geneva, 22 and 23 November 2023 (am)

Item 2 of the provisional agenda

Review of the work of the Team of Specialists on Innovation and Competitiveness Policies since its fourteenth session**Progress of the work of the SPECA Working Group on Innovation and Technology for Sustainable Development****Note by the Secretariat¹****I. Introduction**

1. The Working Group on Innovation and Technology for Sustainable Development (WG on ITSD) of the UN Special Programme for the Economies of Central Asia (SPECA) was created by decision of the SPECA Governing Council in 2019, following a proposal by the SPECA Working Group on Knowledge-based Development to update its name and terms of reference to better reflect the priorities of the SPECA participating States² under the 2030 Agenda. The Working Group serves as a platform to promote subregional cooperation on strategic approaches to harness innovation in support of the Sustainable Development Goals (SDGs). The secretariats of the United Nations Economic Commission for Europe (ECE) and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) support the activities of the Working Group.

2. In 2019, the Working Group adopted the SPECA Innovation Strategy for Sustainable Development,³ followed by the Action Plan for its implementation⁴ in 2021.

II. Meetings of the Working Group

3. Since the fourteenth session of the ECE Team of Specialists on Innovation and Competitiveness Policies (ToS-ICP), the Working Group has held a SPECA Workshop on Innovation and Technology for Sustainable Development on 18-19 October 2023, back-to-back with its 4th annual session on 19 October 2023. These meetings took place in hybrid

¹ This document has not been formally edited.

² Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

³ The Strategy is available at:

https://unece.org/fileadmin/DAM/SPECA/documents/gc/session14/SPECA_Innovation_Strategy_English.pdf.

⁴ The Action Plan is available at: <https://unece.org/info/SPECA/events/359004>.

format. They were co-organized by ECE and ESCAP in Tashkent and were chaired by the Government of Uzbekistan.

4. During the above-mentioned SPECA Workshop on Innovation and Technology for Sustainable Development and during the WG session in Tashkent, countries highlighted the importance of inclusive innovation and the circular economy to propel sustainable development. Countries also identified priority areas for further support, as detailed below in section IV.

5. Also held back-to-back with the WG session on 18 October 2023 was an ECE Business-to-Business (B2B) conference “Innovation for the Circular Economy: Bridging Start-Ups and Corporations”. Countries noted ECE work on the circular economy as a crucial element contributing to sustainable development and resource efficiency within the SPECA sub-region.

6. The Government of Kyrgyzstan has offered to host and chair the 5th annual session of the SPECA Working Group on ITSD in Bishkek in 2024.

III. Sub-regional capacity building

7. Since the beginning of 2020, ECE has been implementing the UN Development Account project “Strengthening innovation policies for SPECA participating States in support of the 2030 Agenda for Sustainable Development”. Project activities that have taken place after the fourteenth session of ToS-ICP are presented below.

8. A policy handbook on “New Innovation Policy for Transition Economies in the SPECA sub-region” is currently being finalized as an official UN publication. The handbook will put forward policy principles that can help strengthening coordination between disparate innovation actors and increasing capacities in the private sector to absorb innovation, as well as in the public sector to drive and accompany policy transformations.

9. Several training activities have been organized by ECE to develop the technical capacity of policymakers and practitioners, as follow:

(a) 21 February 2023 (online): “Development of business incubators and start-up accelerators: educational programme for university management”;

(b) 16 March 2023 (online): “How to work with venture funds and business angels”;

(c) 1 June 2023, Geneva, Switzerland: “Promoting women’s entrepreneurship in transition economies for sustainable development”;

(d) 10-11 July 2023, Tbilisi, Georgia: “Study tour to Georgia for innovation policymakers from the SPECA subregion”;

(e) 18 October 2023, Tashkent, Uzbekistan: ECE Business-to-Business (B2B) conference “Innovation for the Circular Economy: Bridging Start-Ups and Corporations”; and

(f) 18-19 October 2023, Tashkent, Uzbekistan: “SPECA Workshop on Innovation and Technology for Sustainable Development”.

10. On 3 April 2023, ECE organized a policy dialogue on “Fostering circular solutions through innovation”⁵ as a side event to the 70th session of the Economic Commission for Europe. The event provided members of the SPECA Network of Business Incubators and Accelerators for Sustainable Development (NBIASD) with the opportunity to exchange experiences and learn from circular economy stakeholders from across the ECE region about empowering start-ups, micro-, small, and medium-sized enterprises to innovate for the green and circular transition. This led to a number of requests for training activities as included in paragraph 9 above.

⁵ The agenda and report of the event are available at: <https://unece.org/info/Economic-Cooperation-and-Integration/events/376914>.

IV. National-level capacity building

11. The Innovation for Sustainable Development Review of Uzbekistan was published in March 2022. The Government of Uzbekistan has requested follow-up capacity building to help implement the recommendations of the Review, highlighting a particular interest in the topic of innovation for the green and circular transition. ECE staff and experts undertook a mission to Tashkent in May 2023 in this context. This included a workshop for Chief Innovation Officers on innovation for the circular economy on 2 May 2023 in Tashkent. ECE stands ready to offer further capacity building support for the implementation of policy recommendations, subject to the availability of extrabudgetary resources.

12. Pursuant to a request from the Government of Azerbaijan for support in developing its venture capital ecosystem, ECE organized an online capacity building programme for Azerbaijan during the period June-September 2023 on building a venture capital ecosystem.

V. Fundraising needs

13. The UN Development Account project mentioned in paragraph 5 will come to an end in December 2023. Therefore, the secretariat is currently fundraising in order to continue offering relevant technical cooperation after 2023, as well as to respond to new requests for support from the SPECA participating States. This informal document complements ECE/CECI/ICP/2023/INF.7 and provides in more detail areas of specific interest for the SPECA participating States.

14. The WG noted the responsiveness of these activities to the needs of the SPECA participating States, as highlighted in a recent UN Office of Internal Oversight Services evaluation of subprogrammes 4 and 6 of ECE. Delegates noted with satisfaction the activities carried out by the United Nations ECE and ESCAP secretariats within the framework of the WG.

15. Four areas of specific interest, as formally expressed in the decisions of the 4th session of the SPECA WG on ITSD, are listed below. ECE encourages donors wishing to contribute to contact the secretariat.

(a) The WG welcomed the establishment of the SPECA NBIASD and encouraged donors and support from national focal points to make this a self-sustaining initiative to promote entrepreneurship in the SPECA sub-region. The WG underscored the importance of capacity building and technical assistance initiatives to strengthen innovation and entrepreneurship in the circular economy. Additional extrabudgetary funding for capacity building for policymakers, entrepreneurs, educators and business support institutions is needed in this context.

(b) The WG received requests from the Governments of Kazakhstan, Kyrgyzstan and Tajikistan for Innovation for Sustainable Development Reviews, which can only be met subject to available extrabudgetary resources.

(c) The WG welcomed the initiative to carry out an innovation policy benchmarking exercise in the SPECA participating States, subject to availability of extrabudgetary resources, building on the experience of the pilot ECE Innovation Policy Outlook recently carried out in Eastern Europe and South Caucasus. In this regard, the WG also called on ECE and ESCAP secretariats to work closely with donors and development partners to mobilize necessary funds.

(d) The WG endorsed the continuation of work on the circular economy as a crucial element contributing to sustainable development and resource efficiency within the SPECA sub-region. This would include exploring innovative solutions to accelerate the circular transition in accordance with the decision of the 69th session of the Economic Commission for Europe regarding strengthening measures for circularity and sustainable resource use. Such activities would require extrabudgetary resources.

15. During the deliberations of the 4th session of the SPECA WG on ITSD, other areas of interest for future capacity building as expressed by delegates included: developing skills and

entrepreneurial capacity for the circular economy; train the trainer sessions for members of the SPECA NBIASD, as well as members of the venture capital community; and start-up competitions in the SPECA sub-region.

16. To address the growing demand for policy analysis, capacity building and policy advisory services expressed by member States, and to help implement relevant decisions taken by the SPECA WG on ITSD at its 4th session the secretariat proposes the following:

(a) to continue developing and presenting concrete project proposals for donors to assist SPECA participating States for 2023-2027 based on the above demands; and

(b) to continue engaging with potential donors to discuss cooperation.

17. Delegates are invited to discuss this fundraising plan at the fifteenth session of the ToS-ICP and to support fundraising efforts, e.g. by informing relevant line ministries and agencies about funding needs and opportunities and liaising between the secretariat and relevant national or international partners.
