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Statement by Mr. Ján Kubiš **United Nations Under-Secretary-General Executive Secretary of the United Nations** Economic Commission for Europe

at

At the UNECE International Conference "Promoting Eco-innovation: Policies and Opportunities" Tel Aviv, Israel, 11 July 2011

Your Excellency Prime Minister Netanyahu, Excellencies. Ladies and Gentlemen. Dear colleagues and friends,

It is a pleasure to be with you today at this important International Conference, which the United Nations Economic Commission for Europe is organising in cooperation with the Ministry of Foreign Affairs of Israel and the Prime Minister's Office. I would like to take this occasion and thank the Government of Israel and personally Prime Minister Netanyahu for taking the initiative of hosting this important international event and for the excellent cooperation with the Ministry of Foreign Affairs and the Prime Minister's Office in its preparation.

Israel has a wealth of experience in devising innovative solutions to address environmental and energy challenges and therefore provides an excellent location to discuss the issues that are the object of this International Conference.

Climate change, environmental degradation and pressure over energy resources undermine economic stability and constrain aspirations to improve living standards. Confronting these serious threats is a key task for economic policies. The magnitude of the challenges ahead and the linkages between various policy areas imply that policy responses need to be coordinated and go well beyond a narrowly defined sectoral focus.

All these issues are, and will continue to be at the focus of the debates in the leadup to, and during the upcoming United Nations Conference on Sustainable Development 2012 (Rio+20). The "greening" of the global economy is one of the central themes in the current international discussions in the area of sustainable development. This year's issue of the World Economic and Social Survey - the flagship UN publication on economic and social issues - is devoted to the topic "The Great Green Technological Transformation". The report which was launched last week in Geneva at the High-Level Segment of the annual meeting of the United Nations Economic and Social Council calls for major investments in innovative technologies to build green economies.

The event we are opening today will provide a valuable substantive contribution to these important international policy discussions.

Eco-innovation policies have more ambitious aims than pure climate change mitigation efforts in that they include actions seeking to foster new products or processes that at the same time reduce environmental impact and/or increase resource productivity. Such policies extend beyond science and technology to encompass also interventions with a multisectoral character in other areas such as education, energy, transport and environment.

Initiatives in the area of eco-innovation have an important international dimension. Diffusion of innovative technologies across countries will play an important role in tackling environmental problems and reducing the pressure on resources. International cooperation can thus provide a channel to facilitate technology transfer.

Moreover, technological breakthroughs on eco-innovation are most likely to have an international impact. It is therefore important to coordinate actions globally to create a consistent framework for investment and to avoid duplication of efforts. **Collaboration could allow bridging gaps and disseminating good practices**, while addressing barriers that at the international level prevent the development and transfer of eco-innovative technologies.

Cooperation is also critical at the national level, given the multi-sectoral character of the necessary policy interventions. Given the nature of the challenges ahead and their enduring character, technological innovation in this area requires a long-term vision that involves different stakeholders and provides an institutional space for public-private cooperation. Public initiatives have an important role in helping the private sector to overcome coordination failures and guiding future actions.

Various forms of collaboration between the public and the private sectors can be used to share risk efficiently in a situation where significant investments under uncertain conditions are required. Moreover, this collaboration can serve to overcome weak market incentives for the emergence of new technologies, thus accelerating their development. **Public initiatives can work as a catalyst of links between established companies and academic institutes** to develop research projects that can result in commercial technologies. Public initiatives, including those undertaken at the international level, can also **create the demand for innovation in the environmental sphere**, though appropriate regulations. While the challenges ahead are significant, we should not forget that these are also the source of **new business opportunities generating economic dynamism, new jobs and more resource-efficient economies**. Working together with the private sector, public authorities can nurture and harness the entrepreneurial potential of private initiatives to deliver innovative environmental solutions and increased efficiency.

The United Nations Economic Commission for Europe as part of the United Nations system is mandated to advance economic development and international cooperation through our activities in different areas, including those that are of direct relevance to the issues considered in this Conference, such as Environmental Policy, Sustainable Energy and the promotion of Innovation and Knowledge-based Development. Our Organization also implements numerous capacity-building activities in these areas to match policy advice with an improved ability of our member States to undertake practical actions.

The UNECE-led "Environment for Europe" process addresses issues which are closely related to the those that will discussed in this room over the next days. Thus one of the main themes of the **seventh "Environment for Europe" Ministerial Conference**, which will take place in Astana on 21-23 September 2011 will be "Greening the economy: mainstreaming the environment into economic development". The UNECE also carries our regular assessments of both environmental and innovation performances in requesting member States. These Reviews include a number of practical recommendations and suggestions to improve policy-making in these areas. Another example is the UNECE "Energy Efficiency 21" Project which seeks to mobilise financing to bring about concrete investment projects resulting in an improved use of energy resources.

The UNECE assigns great importance to the **support to innovation and knowledge-based development** in its member States. Member States launched in 2006 a new Subprogramme on Economic Cooperation and Integration with the objective to promote a policy, financial and regulatory environment conducive to economic growth, innovative development and higher competitiveness of countries and businesses in the UNECE region and focusing mainly on countries with economies in transition.

The UNECE has recently come up with a new initiative in this area, the undertaking of **national Innovation Performance Reviews** in requesting countries. The Innovation Performance Review is a participatory policy advisory service jointly undertaken by a group of international and national experts with the objective to review critically the national innovation system and come up with concrete policy recommendations for **stimulating innovation activity in the country and enhancing its innovation capacity**.

In this context, our Organization also offers opportunities for international cooperation in **the regulatory protection of intellectual property rights and strengthening their role in innovative development**. We provide a platform for open policy discussion and the dissemination of best practice in the commercialization and protection of intellectual property rights through a series of targeted capacity building activities in requesting countries.

The UNECE is also recognized as a source of knowledge on public-private partnerships (PPP) and earned an influential place on the global stage in PPP, including the training and capacity building for government officials. We are now preparing a new initiative – establishing an International PPP Centre of Excellence in Geneva – which will support the dissemination of best practice in this area. Public-private partnerships could make an important contribution in facilitating the development of new infrastructure projects, which often have large environmental and energy efficiency implications.

The Conference that opens today with the participation of policy makers, business representatives and academics from many countries provides an important platform to exchange experiences and reflect together on different policy aspects related to the promotion of eco-innovation. I hope that this policy dialogue will contribute to our better understanding of the choices ahead and their implications, thus helping to improve policy design.

I would like to conclude by stressing than in today's closely interconnected world, there is an obvious need for **cooperative approaches that address common challenges while creating better conditions to materialize the opportunities resulting from a global economy**. The case for international cooperation is particularly strong in the areas that are the object of this Conference.

With this I would like to wish you fruitful debates and a successful outcome of this Conference.