



American Model United Nations

Economic Commission for Europe

Report to the Economic Commission for Europe on Innovation and competitiveness policies

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1 **Executive Summary**

2 EXECUTIVE SUMMARY

3 The Economic Commission for Europe (ECE) is pleased to present to the Economic and Social Council
4 (ECOSOC) its final report on the topic of Innovation and Competitiveness Policies. The following report covers a
5 range of innovative ideas such as plans and processes to better the competitiveness of each Member State's economy.

6 The first chapter of the report includes resolutions and recommendations, which the ECE is submitting and
7 recommending to ECOSOC for consideration and adoption.

8 Other recommendations of the Commission, which are not delineated in draft resolutions, include tailored
9 action plans for developed economies and developing economies for efficient growth in innovation and competitive
10 policies for all Member States in the ECE.

11 Chapter two covers the deliberations and proceedings of the ECE that produced this proposal. It includes
12 a brief summary of the relevant and significant debate on this topic as well as the voting record for the resolutions
13 presented in the report.

14 **Matters calling for action**

15 **ECE I/1**

16 *Emphasizing* the excellent works of Lisbon Strategy 2000-2010 in the creation of approximately 18 million
17 jobs within Europe,

18 *Bearing in mind* its successor Europe 2020 which focuses on smart, sustainable and inclusive growth,

19 *Taking into consideration* European Union counsel partnership Research and Innovation Strategies for Smart
20 Specialization (RIS3) which promotes research and development in Member States,

21 1. *Calls upon* domestic governments to allocate specific monies for investments in businesses;

22 2. *Emphasizes* the importance of education and the exchange of ideas, specifically between industry leaders
23 and business hopefuls to provide guidance;

24 3. *Recommends* the releasing of online hands on modules and the ability to access and submit forms online,
25 in hopes of streamlining business application process for a more comprehensive and accessible experience;

26 4. *Encourages* innovation vouchers and tax incentives for the growth of local businesses in hopes of enhanc-
27 ing competitiveness within the global job market.

28 Consideration of the status

29 Deliberations

30 At its founding, the Economic Commission for Europe's intention was to promote economic growth through-
31 out Europe. A challenge that many Member States within the Commission face is staying competitive in a new
32 global marketplace. Many Member States have highly regulated economies and preexisting firms. Consequently,
33 their abilities to innovate cannot be approached in the same manner as nations in other regions. Since economic
34 competitiveness is one of the core functions of the Commission, the Member States sought to address this issue
35 during the session. Representatives expressed their opinions for methods and steps to help with the creation of
36 ideas, investment, reforms, transformations, and education in countries that seek to improve their innovation and
37 competitiveness policies.

38 Representatives spoke on ideas on how to innovate and bring competitiveness back into each individual ECE
39 Member State economy. Ideas proposed included, but were not limited to the following: partnerships and figuring
40 out trade and investments, private investment, different forms and systems that would be beneficial or effective,
41 vouchers spent on businesses, promotion of free trade and open markets, tax breaks and tax incentives, increasing
42 productivity for each Member State, and revival of the Silk Road.

43 As a way to increase the productivity of countries, there was a suggestion to increase human capital through-
44 out all of Europe. This increase of human capital would be an efficient and relatively low-cost way to increase profits
45 and productivity as it would stem from both on and off-site education and analysis of work culture. As per the limited
46 purview of the ECE, it was suggested to not make specific recommendations or mandates as to private businesses,
47 but rather to offer this as a suggestion for countries to implement themselves.

48 A Member State made a suggestion that recommended plans for education that could be adapted and
49 adjusted based on each Member State. One suggestion included the possible program for learning, investing and
50 teaching, shortened to LIT. A delegation discussed going deeper into educational issues, encouraging students to
51 delve into biographies, geography and investment options. Although there was general concern over the specificity
52 of these ideas and their execution, most delegations agreed as to the importance of education.

53 General concern was to produce concrete ideas on how we can better the economies of each member state.
54 Another specific concern brought up was the issue of unnecessary administrative burden weighing down private
55 enterprise and scientific innovation. The delegation who brought up this point observed that an action program
56 had already been created by the ECE. This program was noted to have already made recommendations. Specific
57 examples of possible solutions to reduce administrative burden included VAT invoicing, digital tachographs, and
58 reducing reporting requirements.

59 A handful of delegations discussed the manners in which Members States that were a part of the former
60 Soviet Union could become more competitive. Suggested solutions included collaboration with organizations that were
61 founded or partaken in by those delegations, such as the Eurasian Economic Community, the Economic Cooperation
62 Organization and the Shanghai Cooperation Organization.

63 Several Member States discussed the importance of recognizing and utilizing natural resources present in
64 nations wishing to remain competitive in the global community, as excess in production in these resources can become
65 an avenue for trade. A delegation suggested that innovation in these nations should be focused on increasing efficiency
66 of production.

67 **Actions taken by the Commission**

68 Action taken by the Commission

69 At its meeting on November 22, 2016, the ECE discussed recommendations for actions to be taken by
70 ECOSOC. These recommendations were formalized in a report and a resolution entitled "Increasing Competitive-
71 ness," was passed with the following record:

72 In Favor: 17

73 Opposed: 4

74 Abstain: 4

75 **Adoption of the report**

76 At its meeting on 22 November 2016, the draft report of the Commission was made available for consideration.
77 The Commission considered the report, with one resolution, and with no amendments, adopted the draft report by
78 consensus.