



CHAPTER SEVEN ECONOMIC COMMISSION FOR EUROPE

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PURVIEW OF THE ECONOMIC COMMISSION FOR EUROPE

The Economic Commission for Europe (ECE) is one of five regional commissions of the Economic and Social Council (ECOSOC). ECE focuses on analyzing, advising and assisting the Member States in cooperation with the international business community. The Commission meets annually and makes recommendations and reports to ECOSOC. The 56 Member State commission was established in 1947 to support pan-European sustainable economic development. In addition to the Member States, there are over 70 global professional organizations that participate in ECE activities.

In 2016, AMUN will simulate Economic Commission for Europe as a report-writing body, rather than a resolution-writing body. For more information about report-writing bodies, please see 16-17 in the AMUN Rules and Procedures handbook.

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INNOVATION AND COMPETITIVENESS POLICIES

The United Nations Economic Commission for Europe (ECE) was established to help Europe recover economically in the wake of World War II. Throughout its history, the Commission has adapted to serve economic growth throughout Europe. Over the last decade, European countries have faced significant challenges to remaining economically competitive. Developing economies have increased their capabilities in the manufacturing, technology and service sectors, putting significant pressure on European economies to innovate, become more competitive or cede market share. Europe is not alone in trying to become more competitive; the recent 2030 Agenda for Sustainable Development's Goal 9 also prioritizes building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation. European countries do, however, face different challenges; unlike

many emerging economies, they tend to have highly regulated economies, existing dominant firms and strong labor market protections. Consequently, the Commission is approaching this work in unique ways, including: providing assistance to States that are upgrading their technology infrastructure; providing specific policy advice to individual States; developing partnerships that encourage sustainable building and business policy; creating effective intellectual property rights regimes; and conducting performance reviews of its Member States.

The Commission first addressed innovation and competitiveness policies in 2006, when it established the Committee on Innovation, Competitiveness and Public-Private Partnerships (CICPPP). CICPPP discusses the policy implications and standards that Member States can use to foster economic stability and growth. Its initial 2006 agenda called for information exchange and for States to open dialogue with their private sectors to identify areas where they could improve and create innovation, setting the stage for its thematic work.

The group has also provided country-specific policy recommendations for transitional economies and former members of the Soviet Union. CICPPP conducted its first Innovation Performance Review in 2010, examining the national innovation policies and practices of Belarus; subsequent reviews have looked at other Member States. The Innovation Performance Reviews are one of the most prominent projects the ECE has undertaken to enhance economic competitiveness and innovation in Europe. States requesting a Review are able to select a set of criteria on which to be evaluated and are then given specific policy recommendations tailored to their current economic situation.

Between 2006 and 2013, ECE produced a number of guiding documents on innovation policies. This includes the Compendia of Policy Recommendations and Good Practices issued in 2008, which covers financing and intellectual property. The Innovation Policy for Green Technology was released in 2013. It establishes policy recommendations



for green technology, creates specific frameworks States can use to increase investment in environmentally sound economic development and identifies States most at risk and therefore most likely to benefit from green innovation and how that innovation can be achieved.

The Team of Specialists on Innovative and Competitive Policies (TOS-ICP), a group of experts responsible for evaluating the effectiveness of existing ECE projects and coordinating the needs of the public and private sectors, was created in 2014. In its most recent report, the TOS-ICP discussed how the ECE can create policy consistency among its members, support emerging markets and minimize social costs for States undergoing economic transition. The report also highlighted the need for ECE members to evaluate Innovation Performance Reviews, expand the Reviews to more States and examine how the Reviews can be used as a monitoring system for the Sustainable Development Goals.

The goals of the ECE are, by and large, two-fold. First, the ECE must fulfill its primary goal of fostering economic growth and stability while navigating the current economic barriers to negotiation, such as existing trade agreements, different market structures and restrictive economic conditions. Second, the ECE must do its utmost to fulfill its duties with an eye toward the Sustainable Development Goals, especially Goal 9. Other regional players, like the European Union and the International Chamber of Commerce, have also sought to make improvements on sustainable business innovation. These organizations have identified many different areas in which Europe can improve both sustainability and development, including more stringent trade agreements, discontinuing the use of environmentally harmful industrial byproducts and incentivizing culture change in the private sector. Few of these organizations, however, have the same far-reaching impact as the United Nations. Many businesses have already asserted their desire to contribute toward the achievement of the Sustainable Development Goals. The ECE must now determine a way to encourage and facilitate these positive movements while still pushing for consistent economic growth and stability. The ECE faces many challenges in supporting sustainable development and innovation, including coordinating with many different organizations within Europe and the EU; highlighting effective incentives for States to upgrade their technology and innovation strategies in a sustainable way; and developing and strengthening partnerships with governments, nonprofit organizations and businesses. In the coming years, the ECE will have to evaluate its existing mechanisms, how it provides guidance and how that guidance may be best implemented. Its current standards and best practices need to be further examined to reflect existing economic needs.

Questions to consider from your government's perspective on this issue include the following:

- What types of recommendations are most effective when encouraging both economic growth and sustainability? How can existing recommendations be made more effective?
- What organizations can the ECE partner with to achieve its goals? How can they work together to better coordinate their efforts?
- What partnerships between States and private sector industries can best achieve ECE goals? How can these partnerships grow? What resources are necessary to build them?

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SUSTAINABLE ENERGY

Sustainable energy is defined as energy production and consumption that does not affect human health and quality of life but also does not affect ecosystems or contribute to climate change. Discussion of sustainable energy focuses on two areas: energy efficiency and renewable energy. In policy discussions, sustainable energy is considered to be distinct from alternative energy, as sustainable energy will continue to produce energy rather than producing energy only once and for one-time use. The rise of an international need for more sustainable forms of energy comes as countries across the globe continue to search for more economically viable means to reduce environmentally harmful emissions from a wide variety of energy sources. The United Nations has been interested in and advocating for sustainability for a number of years; this interest has been codified most recently in the Sustainable Development Goals (SDGs), which link sustainable energy with advancing human rights and ending poverty. The 56 Member States of the United Nations Economic Commission for Europe (ECE) require an overwhelming amount of energy to function and some individual Member States top the lists of largest carbon emitters in the world. Consequently, the Commission has recently shifted its focus to sustainable energy.



Facing rising oil prices, the Commission in 2005 and 2006 looked to address the classification of energy sources, recommending that designations should better align with the United Nations Framework Classification for Fossil Energy and Mineral Reserves and Resources in order to increase transparency regarding the future availability of these and other energy sources. The Commission also continued to look into methods of reducing greenhouse gas emissions, primarily in Eastern Europe. Although a vast energy market and policy barriers hindered initial investment, the Commission sought to help these transitional economies establish public-private partnerships dedicated to financing energy efficiency investments.

Technology research and development have been key topics in past discussions on the issue of sustainable energy. The European Union (EU) and the broader Commission both identified the need to promote policies for renewable energy for power generation and fuel production. More specifically, the Commission focused on the need to develop clean coal technologies, as coal was identified as one of the most secure sources of energy, so long as its production and use were environmentally acceptable. In 2009, the European Union formed the Renewable Energy Directive, with the goal of increasing renewable energy production to cover 20 percent of European Union energy consumption by 2020, with EU Member States setting individual goals ranging from 10 percent to 49 percent. The 2015 Paris Agreement also sets goals for all United Nations Member States to reduce greenhouse gas emissions, however, this agreement has not come into effect yet as it awaits ratification from the international community.

Each year, the Commission hosts Energy Week, bringing diplomats and experts together to participate in workshops focused on advancements made on sustainable energy; they also discuss current downfalls and future advancements. While sustainable energy goes hand-in-hand with development and industrialization, the Commission has attempted to broaden its viewpoint on the issue by including cross-sectorial advancement measures in its discussions. These measures cover topics such as education and sustainable development, ways to better use sustainable development in transportation and the health sector, and the construction of green buildings.

This year the Commission has planned several events to address the issue of sustainable energy. These sessions cover several aspects of the issue, from cleaner energy production to energy efficiency and renewable energy. The session on sustainable energy production will also take place in September 2016; Member States will hear further testimony of the importance of renewable energy and be encouraged to adopt additional recommendations by the Commission and their subsidiary bodies in order to further reduce greenhouse gas and carbon emissions. The continued focus will be accessibility and affordability. Information gathered this past year will determine which regions will benefit the most from certain energy production types (solar, wind, geothermal, hydropower, etc.) and which would be the most cost-effective. Location and investment amount will also be a focus, as previous reports indicate cities and local governments led the trend of improvement for national governments and could promise a similar upswing for rural regions following their model.

As the Commission represents many of the world's most developed countries and heaviest carbon emitters, it falls to the Commission to lead in developing sustainable energy. Recent recommendations from the Commission continue to focus on the development of energy

efficient technologies such as clean coal and natural gas, as well as national policies related to energy efficiency and access to cleaner energy. However, not every Member State in the European region has the same economic stability or greenhouse gas emissions. The Commission has noted that the Eastern European region has higher emissions outputs that require larger energy efficiency investments than what would be required elsewhere in the region. Thus, it is important to address this issue in a way that does not risk destabilizing the more fragile economies in the region. Several Member States have reduced their per-capita carbon dioxide emissions to below the global average, providing an example for the rest of the Commission Members to consider.

Additionally, the Commission will need to continue focusing on the "Affordable and Clean Energy" and "Climate Action" portions of the SDGs in order to move this issue forward. As has been noted, a lack of economic equity across Member States implies a larger regional role in providing Affordable and Clean Energy to all citizens; the "clean" portion of this goal is also somewhat of an issue. There are few agreed-upon sources of "clean" energy, and the maximum limits for pollution output from these sources vary and change across borders. There are sources of energy that are still too new to have historical and scientific evidence of long-term outcomes; hydraulic fracturing is one of these sources.

Finally, the Commission will need to begin incorporating "Climate Action" into its plans on sustainable energy; while climate change is a focus in shifting toward alternative energy sources, more work must be done both regionally and internationally to stymie carbon emissions and pollution creation. Again, a lack of consistently applied terms creates an issue, as does the maintenance of lifestyle while shifting to sustainable energy or protecting the environment. The Commission must come to terms internally with this as they provide for some lifestyles and improve others.

Questions to consider from your government's perspective on this issue include the following:

- How can more developed Members States assist lesser-developed States in this shift toward sustainable energy?
- What policy barriers, both national and cross-boundary, should be addressed when considering the issue?
- How can Member States leverage new and existing technologies to develop and obtain more sustainable forms of energy?

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