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**ECONOMIC COMMISSION FOR EUROPE**

**COMMITTEE FOR TRADE, INDUSTRY AND  
ENTERPRISE DEVELOPMENT**

Working Party on International Legal  
and Commercial Practice (WP.5)

Fifty-Second Session  
24-25 October 2005

**REPORT<sup>1</sup>**

**Working Party on International Legal and Commercial Practice**

**Public-Private Partnership Alliance  
Intellectual Property Advisory Group  
Real Estate Advisory Group**

**Note by the secretariat:** The following reports on the activities of the Advisory Groups of the Working Party on International Legal and Commercial Practice. This document concludes with the key-decisions to be taken by the Working Party with respect to these groups.

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<sup>1</sup> The document was submitted late due to delay in receiving other relevant information.

## **PUBLIC PRIVATE PARTNERSHIP ALLIANCE**

### **Activities and results since the 51st session of WP5**

#### *Annual meetings*

The third PPP Alliance meeting was held in Barcelona on September 14<sup>th</sup> 2004 on the occasion of the UN Habitat's Second World Urban Forum. The Alliance organised a seminar on the topic of the 'Role of PPPs in Urban Revitalisation'. Speakers came from many countries and presented case studies on the delivery of urban services through PPPs. An active exchange of views took place and a report was prepared for the Plenary of the Forum. Representatives of the Government of Spain presented the host country's experience in the use of PPPs for urban renewal.

#### *Guidelines*

In view of the lack of transparency in PPP projects in the ECE region, the Working Party requested the secretariat to prepare case studies demonstrating both good and bad aspects of governance in PPPs. The secretariat presented the paper to the 51<sup>st</sup> session of the Working Party. The Working Party agreed that this document could form the basis of Guidelines on improving governance in PPPs and accordingly requested the secretariat to revise the document taking into account the views of experts. An experts meeting was held on November 27<sup>th</sup> 2004 in Toronto Canada, at the occasion of the Annual 3Ps conference to exchange views between Alliance experts and representatives of Canadian business on the importance of governance in PPPs. In addition, a meeting was held with representatives of the Canadian Public Employees Union on their members' perspectives on PPPs in Canada. The Government of Canada hosted the meeting. Representatives from the Russian Federation also participated. The secretariat using this information revised further the Guidelines and presented these to the 52<sup>nd</sup> session of the Working Party for its approval. (TRADE/WP.5/2005/3)

#### *Cooperation with member states*

In August 2005 a project funded by EU TACIS to explore the use of PPP methodologies in social housing in the Russian federation was started under the auspices of the PPP Alliance. A preliminary report on the findings of this research will be made to the Fourth PPP Alliance meeting in London on October 25<sup>th</sup> 2005.

### **Future work**

As the use of PPPs spreads to many new countries with little or no experience of this model of cooperation, the UNECE PPP Alliance proposes to continue its work on the following:

#### *Implementation of the Guidelines*

The PPP Alliance has proposed a methodology for improving governance in specific projects and it is proposed to test this methodology on some concrete projects with a view to the wider dissemination and practice of good governance in PPPs.

### *Consultative visits*

It is proposed that the fifth meeting of the UNECE PPP Alliance will take place in the Russian Federation in 2006 and will take the form of an exchange of experience on implementing PPP projects between the PPP Alliance and Russian experts.

### *Capacity building and research*

It is further proposed that the PPP Alliance will participate in the following projects, which have been recently achieved:

- A UN development account funded project for ‘ Capacity building in PPPs for sustainable development ‘ (two-year project) undertaken by the Economic Commission for Asia and the Pacific (ESCAP) and in cooperation with the Economic Commission for Europe (ECE) and the Economic Commission for Africa (ECA).
- ‘Creating a New Dynamic for Public Private partnerships for Peaceful and Sustainable Development’ (jointly with UNIDIR) a project funded by a Swiss foundation, Réseau Universitaire International de Geneve (RUIG)

## **INTELLECTUAL PROPERTY ADVISORY GROUP**

### **Activities and results since the 51st session of the WP5**

The Advisory Group had its annual meeting on 3 October 2005 and the Steering Group Meeting on 4 October 2005. At this meeting, the Advisory Group reported on a consultative visit to Romania, training seminars in Moldova and Bulgaria and a joint regional seminar with WIPO in Kazakhstan in cooperation with the US Patent Office. It also distributed a DVD of a workshop on IPs and Technology Transfer. This was produced from a regional seminar on the role of intellectual property and innovation in economic growth, organized in cooperation with the Ministry of Economy, Labour and Entrepreneurship of Croatia and held in Zagreb from 22 to 24 September 2004.

### **Forthcoming events and activities**

#### *Consultative visits*

The Advisory Group in association with the Turkish Patent Office will organise a consultative meeting on Intellectual Property Rights in December 2005.

#### *Seminars*

The Advisory Group in association with the State Department for Intellectual Property, Ministry of Education and Science of Ukraine and the United States Patent and Trademark Office, will organize a seminar on Commercialisation and Enforcement of Intellectual Property Rights, to be held in Kiev, Ukraine in November 2005.

*Future orientation*

The Steering Group will select other projects to be carried out on invitation from the member governments. The Advisory Group will seek to extend its activities to other regions where the expertise gained from six years of operations can be shared. It will continue to work with individual countries and at a regional level. The Advisory Group will aim to cooperate even more closely with other organisations. Thus, in addition to consultative visits and training activities, the Advisory Group will develop this cooperation, fostering PPPs, bringing different groups together such as public and private institutions and NGOs, to deal with the new challenges and be represented in more fora.

The Advisory Group is continuing its programme to make IPRs more accessible to SMEs and to foster enterprise development. The Group endeavours to work toward developing practical tools for innovation to help governments integrate their IP policies with their other plans for fostering R&D and innovation.

**REAL ESTATE ADVISORY GROUP***Background information*

The Real Estate Advisory Group (REAG) is a network of representatives from the public and private sectors established to promote the development of more viable real estate markets in central and Eastern Europe and the CIS for economic development and poverty alleviation. The activities of REAG are based on trust fund contributions from public and private donors. REAG works in close cooperation with the UNECE Working Party on Land Administration (UNECE/WPLA). Its membership includes representatives from real estate institutions throughout Europe and the United States.

On September 13, 2001, REAG experts held a special meeting at which they declared in response to the UN Global Mandates and the Millennium Declaration, the adoption of a “Land for Development Programme” (LFDP) to alleviate poverty through better and wider use of land markets. The Programme has been officially launched at the “First Real Estate Forum” held in Rome on the 20-21 September 2002. The contribution of the main donor of this event, Tecnoborsa<sup>2</sup>, allowed for a broad participation to this event of delegates from the transition economies.

Following the launching of the LFDP, the second LFDP Forum was held in Italy, Rome on the 30-31 October 2003 and the Third LFDP Forum was held on 13-14 December 2004. More than 150 experts from over 30 UNECE member States, from UN-Habitat, World Bank, FAO, EBRD, Stability Pact, DFID of the UK Government, the private sector, as well as the UNECE Working Party on Land Administration (WPLA) attended the meetings. They held forthright discussions on issues of implementation, on practical projects for bringing property rights to economic development and to the alleviation of poverty, which is of great concern to all member States of the UNECE region.

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<sup>2</sup> Tecnoborsa is an Italian non-profit institution, which operates under the Chamber of Commerce of Rome.

In order to accomplish the objectives of the Land for Development Programme, it was proposed at the UNECE/ REAG Forums to establish a High Level Commission to prepare a report on the priorities and the implementing mechanisms for national land and property rights policies. The fifty first session of the Working Party endorsed the proposal to establish such a body. This initiative has been taken forward by Norway in cooperation with other donor agencies and the international community.

### **Activities and results since the 51st session of the WP5**

#### *Cooperation*

Within a programme of lesson sharing between the Land for Development Programme and the Eastern European and Central Asian Department of the Department of International Development (DfID)<sup>3</sup> a series of study tours on Third Party Arbitration Courts (TPAC) as an instrument for dispute resolution was organised. DfID has also collaborated with the REAG on the organization of the Second LFDP Forum, and seconded a junior member to work in UNECE to prepare for this event.

A Mission to Russian Federation by the chairman of REAG took place in September 2004 to discuss a protocol of collaboration between the REAG and the Russian Ministry of Economic Development and Trade in providing help in the development of the Russian real estate market.

#### *Land for Development (LFD) Forum*

The Third Land for Development Forum was held in Rome Italy (December 13-14 2004), hosted by Tecnoborsa. A trust fund was established in UNECE for financing the operations of the REAG. The contributions from Tecnoborsa (Italy), Ministry of Foreign Affairs of Norway and have been received. This fund has been active in the last years and been used to pay for travel of representatives of member states to attend the Land for Developments Forums, hiring the consultants and staff member to coordinate the REAG activities.

#### *High Level Commission on Legal Empowerment for the Poor*

At the request of the Government of Norway, and with their financial support, the UNECE hosted an interim secretariat for the preparatory work of the High Level Commission on Legal Empowerment of the Poor Initiative (March – September 2005). The Department for International Development of the UK Government has contribute funds to hire a senior staff member to manage the activities under the High Level Commission on Legal Empowerment of the Poor Initiative based in the UNECE and Third Party Arbitration Courts Programme (this programme was implemented in RF, Moldova, Ukraine, Kyrgyzstan and currently is running in Tajikistan).

### **Forthcoming Events and activities**

REAG has succeeded in raisings resources for a substantive programme that will raise awareness and lay the basis for programmes in transition economies that can make land work better for development. REAG, it is proposed, will work in the following directions:

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<sup>3</sup> Kyrgyzstan, Moldova, Russia, Ukraine and Georgia.

- Close collaboration with the UNDP on the implementation of the High Level Commission on Legal Empowerment of the Poor initiative (regional hearing, running one working group, participation in Advisory Board, and Business Advisory Board);
- Cooperation with Tecnoborsa to generate the opportunities for a close working partnership between Tecnoborsa and High Level Commission (e.g. hosting the meetings under the HLCLEP and UNECE/REAG activities, keeping institutional network in Italy etc.);
- Increase the collaboration with other institutions and donor agencies for the implementation of technical assistance programmes (EU TACIS, UNDP);
- REAG will continue to seek resources from bilateral and private donors for the implementation of its activities.

#### **CONCLUSION AND KEY DECISIONS TO BE TAKEN BY THE WORKING PARTY**

New rules approved by the Committee for the Development of Trade (CTIED) require that all subgroups' mandates are reviewed and renewed at two yearly intervals. The three subgroups wish to have their mandates renewed for a further two years.

The Working Party therefore should (i) review the activities of the sub groups in the light of their mandates and (ii) consider the requests from the three subgroups for the renewal of their mandates for a further two years.

**ANNEX**  
**Mandates of the Advisory Groups of the Working Party**  
**On International Legal and Commercial Practice (WP.5)**

**Public Private Partnership Alliance**

**Mandate**

Following the Millennium Summit, the United Nations issued a declaration calling for the creation of Public Private Partnerships (PPPs) to address critical challenges of poverty and social deprivation. PPPs are common in many countries of the ECE region and are increasingly being employed in transition countries. This creates a growing need for PPP related expertise to ensure that these projects achieve their social and economic development objectives. In response to this need the UNECE Public Private Partnership Alliance was founded in 2001 as a successor organization to the UNECE's Build Operate Transfer Group. The purpose of the PPP Alliance is to improve the awareness, capacity and skills of the public sector in developing successful PPPs in Europe. To this end the Alliance holds regular meetings in different member countries on specific issues, prepares guidelines on best practice, provides training, performs PPP related research and assists governments with the improvement of the enabling environment for privately funded infrastructure projects. The Alliance has subgroups on legal and on financial issues. Its members include public sector managers, NGO representatives, trade unionists, academics, and private sector experts in the field of PPPs.

**Intellectual Property Advisory group**

**Mandate**

The IP Advisory Group represents a unique partnership between the private sector and governmental institutions to deliver better protection and enforcement of IP rights in the transition economies. The improved enforcement of IP rights in the region will contribute to the investment climate in the region. The Advisory Group co-operates with all the major intergovernmental organisations with the mandate as follows:

1. Provide cooperation and support to the UNECE member countries in the process of implementation of IP legislation and enforcement legislation, and provide assistance to the state institutions dealing with the legal protection of IP legislation and regulations.
2. Emphasize at the regional level the importance of the contribution of an effective system of IPRs to foster innovation and enterprise development, especially for SMEs.
3. Increase the local private sector awareness and involvement in IP issues including through their active participation in all the IPR AG activities.
4. Provide high quality support to the EU accession countries during the process of enlargement of the EU, supporting the effort to secure the compliance of national legislation with the EU Directives. Address at the regional level the needs of those countries that are going to be admitted to the WTO TRIPS Agreement in the near future.
5. Tackle new challenges of the knowledge-based economy and provide governments with the foundations for a more equitable participation in an economy in which knowledge, capabilities and the intellect are becoming the keys to development.

The core of the Advisory Group's activity is the consultative meeting. On invitation from the Government of a transition economy, the Advisory Group prepares for a consultative visit to that country, with the following objectives:

- Produce a report on the status of IP protection and enforcement in that country;
- Prepare and implement recommendations to the host Government for the improvement of IP protection.

In accordance with the approved programme of work the UNECE Advisory Group will then be involved, together with the Steering Group, in the organization of *ad-hoc* training seminars that best suit to the specific requirements of each country. These training seminars have focused on enforcement practice, valuation and commercialisation of IPRs.

Since its inaugural meeting in Geneva in September 1999, the Advisory Group has carried out more than 20 consultations and training activities in 13 transition economies.

### **Real Estate Advisory group**

#### **Mandate**

1. Raise awareness on the importance of developing an inclusive formal property rights system as a way of reducing the “informal economy”;
2. Implementation of real estate market reforms through a comprehensive and holistic approach to real estate market institution building;
3. Development of banking sector. Use of private financing to expand access to mortgage markets for vulnerable groups;
4. Assist UNECE member countries in the process of identification of a common set of valuation standards to increase business cooperation and investment in real property;
5. Provide training programmes to increase the number of qualified local property professionals. In many CIS countries and transition economies, there is still a lack of professional associations dealing with brokerage, surveying and legal services;
6. Provide an *ad hoc* assistance to the EU accession countries during the process of enlargement of the EU in view of the opening of their land markets to new forms of property ownership and in order to ensure a balance between profitable land ownership and the protection of domestic ownership;
7. Promote the application of effective dispute resolution systems.