102989

PÉREZ-GUERRERO TRUST FUND FOR ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES

Title of draft project:

Cooperation for intellectual property and productive transformation in Latin America and the Caribbean

Summary:

The Project is intended to: i) Present a general assessment of the advances in the field of regulatory frameworks on intellectual property, industrial property, copyrights, trademarks and patents in Latin America and the Caribbean; ii) promote cooperation and the exchange of experiences among intellectual property offices in the Member States of SELA; iii) display and exchange successful experiences and best practices in the field of cooperation on intellectual property; and iv) identify opportunities for international, triangular and South-South cooperation that can be developed in intellectual property offices with the support and coordination of focal points in charge of international cooperation in Latin America and the Caribbean, as well as cooperation actions and initiatives that can be developed in regional and international organizations.

Organization submitting the draft project:

Permanent Secretariat of the Latin American and Caribbean Economic System (SELA)

Contact information at the organization submitting the draft project:

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Total budget for the project (in US dollars):
Seventy five thousand dollars (US$ 68,000)

Amount requested from the PGTF (in US dollars):
Thirty five thousand dollars (US$ 28,000)

Key questions: (Please, note that a negative answer to any of the questions below could result in non-consideration of the proposal)

		YES	NO
1.	Does the project involve at least three developing countries? (If so, please indicate beneficiary or participating countries)	_X_	___

The project benefits the 27 Member States of the Latin American and Caribbean Economic System (Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay and Venezuela); integration and cooperation institutions in Latin America and the Caribbean dealing with intellectual property, such as the Andean Community, the Central American Integration System (SICA), the Caribbean Community (CARICOM), the Common Market of the South (MERCOSUR), the Pacific Alliance, the Association of Caribbean States (ACS), the Community of Latin American and Caribbean States (CELAC), among others. The topics of intellectual property, industrial property, trademarks and patents, and copyrights are of interest to all Member States of SELA, as they are intrinsically related to the productive transformation and economic and social development of the region.

2.	Have all the beneficiary or participating countries expressed their interest in writing?	_X_	___

There is a comprehensive interest and a concern as regards the subject of intellectual property, as evidenced by the actions that all the regional and subregional integration schemes have been analysing.

In the Andean Community, the Common Regime on Intellectual Property (Decision 486), of the year 2000, regulates the granting of trademarks and patents and protects the industrial secrets and denominations of origin, among others. In addition, the Common Regime on Copyright and Related Rights (Decision 351), of 1993, recognizes the need for protection of copyrights in the bloc. On the other hand, CAF-development bank of Latin America implemented, in 2014, the Regional Initiative of Technological Patents for Development with the purpose of promoting the presentation of patentable technological concepts and the creation of incubators of patents in the region.

In the Central American Integration System (SICA), in the Protocol to the General Treaty on Central American Economic Integration, known as "Protocol of Guatemala" (1993), the States agreed to harmonize national legislations in the field of intellectual and industrial property.

In the Caribbean Community (CARICOM), the Treaty of Chaguaramas defines the need for protection of intellectual property rights in the countries that form part of CARICOM, particularly by strengthening the regimes for the protection of intellectual property rights, the simplification of registration procedures in the Member States and the establishment of a regional intellectual property rights administration.

In the Common Market of the South (MERCOSUR), the Protocol on Harmonization of Intellectual Property Rules in the field of trademarks, indicators of origin, and denominations of origin, constitutes the guiding standard of this subregional mechanism in intellectual property rights.

In the Pacific Alliance, the Declaration of Santiago (2013) established the need to continue with the exploratory works in the field of intellectual property and the creation of the Working Group on

Intellectual Property. In the Declaration of Cali (2013), the Working Group was instructed to prepare and implement a work plan with specific joint actions on cooperation among the intellectual property offices in the Member States, in order to share experiences, extend the collaboration and communication links among them and achieve a better use of the intellectual property system for the benefit of its users. In October 2015, the four national agencies of the Member countries of the Pacific Alliance signed the "Joint Declaration of the Offices of Intellectual Property", by which they agreed to increase inter-agency cooperation in the field of industrial property.

The Association of Caribbean States established, in 2013, the "Project on regional brand image and geographical indications". The overall objective of this initiative is to promote the diversification of intra- and extra-regional exports and trade by leveraging regional trademarks by means of geographical indications.

The Community of Latin American and Caribbean States (CELAC) established the Working Groups on Human Talent and Knowledge Management in the II Meeting of High-Level Officials in Science and Technology (2014). Similarly, in the Declaration of Belén (paragraph 14), during the III Summit of Heads of State and Government of CELAC, held in Costa Rica in 2015, it recommended strengthening the commitments in the field of technology transfer, financing and access to information and intellectual property rights.

Among the mandates stemming from the VII Summit of the Americas, held in Panama City in 2015, the Summit recognized the importance and necessity of public and private investment in research and development, and in infrastructure for science and technology to encourage inclusive innovation in the hemisphere.

At the international level, within the framework of the 2030 Agenda for Sustainable Development, adopted in 2015, objective 9 of Sustainable Development (industry, innovation and infrastructure) establishes the need to "encourage innovation", specifically through an increase in scientific research and by improving the technological capabilities of the industrial sectors, particularly in developing countries, while increasing the number of people working in the field of research and ensuring a regulatory environment conducive to industrial diversification and addition of value to commodities. Objective 17 (partnerships to achieve goals) urges collaboration among governments, private sector and civil society to mobilize and redirect resources to achieve compliance with the objectives of sustainable development by the year 2030.

In addition, within the framework of the World Trade Organization (WTO), the countries count on the "Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) (1995), and through the World Intellectual Property Organization (WIPO), they also count on the "Convention of Paris for the Protection of Intellectual Property", revised in 1979, and the Patent Cooperation Treaty (PCT), signed in 1978. In recent years, WIPO has conducted, through the Office for Latin America and the Caribbean, seminars and workshops for training and technical assistance on intellectual property, in collaboration with national authorities working in the field of intellectual property in the countries of the region.

3. Have all the confirmations about interest in participating been included in the proposal? _X_ ____

In compliance with the Work Programme of SELA for the year 2015, approved by Decision No. 551 of the Latin American Council during its Regular Meeting held from 25 to 27 November 2015 in Caracas, the theme of intellectual property is included in Activity I.1.3, which provides for the development of an

analytical study aimed at assessing the status of intellectual property rights in Latin America and the Caribbean. The objectives of this activity are as follows: i) Review in detail existing frameworks on intellectual property rights in Latin America and the Caribbean and analyze their strengths and weaknesses in terms of their function as promoters of the productive transformation of the region; ii) evaluate international frameworks on intellectual property rights and initiatives aimed at harmonizing regulations of subregional integration mechanisms in Latin America and the Caribbean; and iii) compare the frameworks on intellectual property rights in the region with the best practices in the matter at the global level.

4. Does the proposal include financing from other sources for an amount equivalent to the resources requested from the PGTF? _X_ ___
(If so, please indicate the exact amount of resources from other sources)

The Permanent Secretariat of SELA will provide forty thousand dollars (US$ 40,000.00) to support the mobilization of national authorities responsible for international cooperation in Latin America and the Caribbean, representatives of intellectual property offices from the Member States of SELA, as well as experts and representatives of regional and subregional organizations, in addition to the operation and logistics-related expenses of the regional meeting.

5. In case the PGTF were not able to allocate the full amount of resources requested, would it still be possible to carry out the project?
(If so, please indicate the minimum amount of resources from the PGTF) _X_ ___

The minimum amount of resources requested from the PGTF to cover the costs of mobilization of some government representatives from Latin America and the Caribbean and speakers specializing in intellectual property would be approximately US$ 25,000.00.

6. Does the project deal with any of the sectoral priorities of the Caracas Action Plan on Economic Cooperation among Developing Countries, namely: Trade, Technology, Food and Agriculture, Energy, Commodities, Finances, Industrialization and Technical Cooperation among Developing Countries? _X_ ___

Yes. The project is intended to facilitate the implementation of the Caracas Action Plan's recommendations relative to Technical Cooperation Among Developing Countries (TCDC), which suggest that particular priority be placed on the use of those skills, competencies and opportunities already existing in developing countries and that cooperation be further promoted through the active involvement of the national systems of technical cooperation to ensure the optimal use of both human and technical resources at the bilateral, regional and international levels. Actions proposed in this project are linked to the work of the Meeting of International Cooperation Directors for Latin America and the Caribbean, which has been implemented within the framework of SELA since 1987 for the purpose of encouraging and strengthening South-South cooperation among the countries in the region.

In order to carry out cooperation programmes in this matter, as set forth in paragraph 23.a (strengthening in the field of industrial property) of the Caracas Action Plan and paragraphs II.1 (technological and cultural innovation) and III.1-4-7 (technological and scientific development) of the Havana Programme of Action, the proposal is designed to comply with the following: promote, organize, and provide support to regional cooperation on this issue among the countries in the region;

establish and maintain an updated knowledge about the capabilities of the Intellectual Property Offices in Latin America and the Caribbean.

7. Were the PGTF guidelines consulted in drafting this proposal? _X_ ___

Yes. The Permanent Secretariat consulted the guidelines established by the PGTF for the preparation of this proposal, whose regional scope encompasses the 27 Member States of SELA and whose vision is the open dissemination of information, discussion and deepening of the themes of intellectual property, industrial property, trademarks and patents, and copyrights in the region. In addition, it aims to promote equitable participation of its member countries in the development of contents of this proposal.

PROJECT DOCUMENT:

Cooperation for intellectual property and productive transformation in Latin America and the Caribbean

PÉREZ-GUERRERO TRUST FUND FOR ECONOMIC AND TECHNICAL COOPERATION AMONG DEVELOPING COUNTRIES, MEMBERS OF THE GROUP OF 77

PERMANENT SECRETARIAT OF THE LATIN AMERICAN AND CARIBBEAN ECONOMIC SYSTEM (SELA)

Type of project: Interregional
Title: Int/../../.. –

Cooperation for intellectual property and productive transformation in Latin America and the Caribbean

Sector: [UNDP will insert]

The project benefits the 27 Member States of the Latin American and Caribbean Economic System (Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay and Venezuela); regional and subregional integration and cooperation institutions in Latin America and the Caribbean dealing with intellectual property, such as the Andean Community, the Central American Integration System (SICA), the Caribbean Community (CARICOM), the Common Market of the South (MERCOSUR), the Pacific Alliance, the Association of Caribbean States (ACS) and the Community of Latin American and Caribbean States (CELAC). In particular, this Project involves the national intellectual property offices in the Member States of SELA. Also participating in this initiative will be other regional and subregional organizations specialized in this field, agencies and funds of the United Nations System, such as the World Intellectual Property Organization (WIPO), and private sector institutions.

Signed on behalf of:

UNDP _____ Date:
Resident Representative

SISTEMA ECONOMICO LATINOAMERICANO Y DEL CARIBE
SELA
Secretaria Permanente

Implementing Institution: _____ Date: 24/11/2016.
Latin American and Caribbean Economic System (SELA)
Roberto Guarnieri, Permanent Secretary of the Latin American and Caribbean Economic System (SELA)

Type of project: Interregional
Title: Int/.. /.. /.. –

Cooperation for intellectual property and productive transformation in Latin America and the Caribbean

Sector: [UNDP will insert]

The project benefits the 27 Member States of the Latin American and Caribbean Economic System (Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay and Venezuela); regional and subregional integration and cooperation institutions in Latin America and the Caribbean dealing with intellectual property, such as the Andean Community, the Central American Integration System (SICA), the Caribbean Community (CARICOM), the Common Market of the South (MERCOSUR), the Pacific Alliance, the Association of Caribbean States (ACS) and the Community of Latin American and Caribbean States (CELAC). In particular, this Project involves national intellectual property offices in the Member States of SELA. Also participating in this initiative will be other regional and subregional organizations specialized in this field, agencies and funds of the United Nations System, such as the World Intellectual Property Organization (WIPO), and private sector institutions.

Duration of project: January 2017 to October 2017. (In coordination with counterpart).

Estimated starting Date: March 2017.

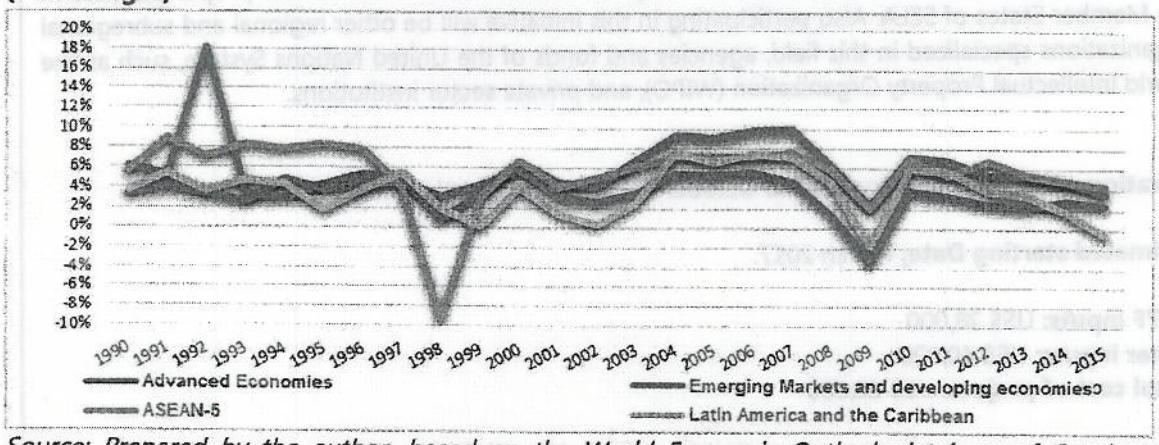
PGTF inputs: US$ 28,000
Other inputs: US$ 40,000
Total cost of project: US$ 68,000

Part Ia. Situation Analysis

FRAMEWORKS FOR THE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS IN LATIN AMERICA AND THE CARIBBEAN: DO THEY SPEED UP OR SLOW DOWN THE PRODUCTIVE TRANSFORMATION OF THE REGION?

Over the past two decades, the pace of economic growth in Latin America and the Caribbean has been moderate. During the period 1990-2015, the region's economy grew at an average annual rate of 3.04%, ranking below the performance of the global economy and the developing economies, whose annual average growth rates were 3.58% and 5.16%, respectively. This relatively poor economic performance has led to a slowdown in the growth rate of per capita income in the region vis-à-vis other economic blocs. As can be seen in Chart 1, during the period 1990-2015 the average annual growth rate of per capita income in Latin America and the Caribbean reached 3.63%, ranking below the rate experienced by the group of developing economies and the countries of the ASEAN-5,[1] which managed to increase their per capita income at an average annual rate of 6.03% and 5.56%, respectively.

CHART 1.
Per capita GDP growth adjusted by Purchasing Power Parity
(Percentages)



Source: Prepared by the author, based on the World Economic Outlook database of October 2015, published by the International Monetary Fund (IMF).

Understanding the reasons limiting the reduction of gaps in per capita income in Latin America and the Caribbean with respect to other comparable economic blocs has been a continuous task in the region. According to the economic theory of development,[2] the explanation of the differences in the levels of income of the countries is the subject of study by three schools of thought:

a) Firstly, there is the theory that assigns the starring role to geography, where the climate and the amount of natural resources are decisive. In addition, the reduction of transport costs, the closeness to markets and the ease for disseminating technology contribute to increases in productivity;

[1] Includes 5 member countries of the Association of Southeast Asian Nations (ASEAN): Indonesia, Malaysia, Philippines, Thailand and Vietnam.

[2] Rodrik, Subramanian and Trebbi (2002) "Institutions Rule: The Primacy of Institutions over Geography and Integration in Economic Development", NBER Working Paper 9305.

b) Secondly, there is the theory that assigns a preponderant role to international trade as a catalyst for productivity, by promoting competition among production centres; and

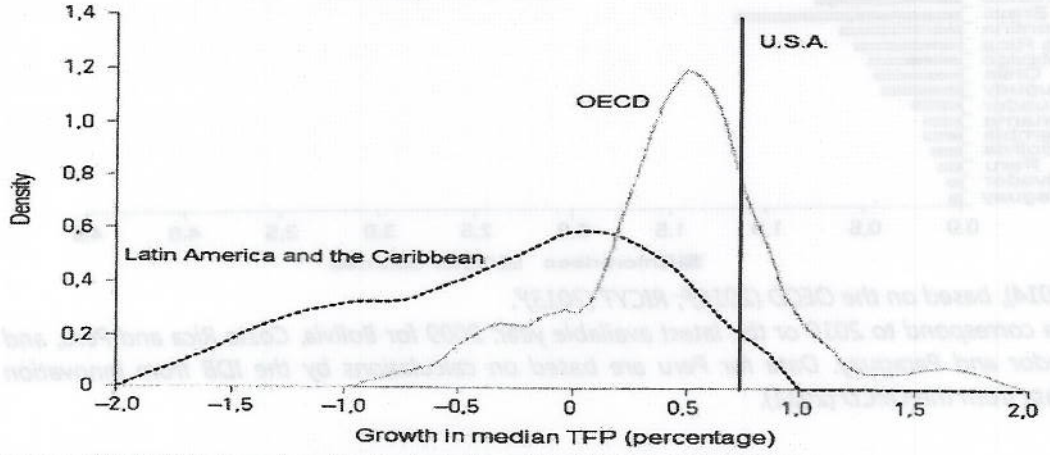
c) Finally, we have the school of thought that gives the central role in reducing per capita income gaps to the institutions. This theory affirms that the platform for an optimal functioning of the economy is the establishment of clear rules of the game, particularly those associated with property rights and the rule of law. In this context, two types of institutions can be recognized: the formal ones (constitution, laws, decrees) and the informal ones (customs and traditions).

However, with respect to the backlog of Latin America and the Caribbean despite the increased levels of trade liberalization, the improvements in the quality of institutions and the endowment of natural resources, the results in terms of reduction of gaps in the levels of per capita income, in comparison with the rest of the world, have not been satisfactory. This situation shows that there are other factors which can largely explain the economic performance of countries.

In this regard, another explanatory narrative attributed a fundamental role to technological change and productivity. According to the Inter-American Development Bank (IDB, 2014),[3] the evidence in the case of the United States shows that investment in Research and Development (R&D) explains about 40% of the increase in productivity of the country since the Second World War. On the basis of these results, several countries in Latin America and the Caribbean have implemented policies to encourage innovation, even though a substantial improvement in the levels of total factor productivity (TFP) has not been evidenced.

As can be seen in Chart 2, the growth in total factor productivity in the region lags behind in comparison with the performance of the OECD countries and the United States. According to the IDB (2014), this performance is explained by the characteristics of the innovation process in Latin America and the Caribbean, which relies substantially on the adoption and improvement of existing technologies, and to a lesser extent on investment in Research and Development (R&D).

CHART 2.
Growth in Total Factor Productivity, 1960-2010



Source: IDB (2014), based on the Project Penn World Table 8.0 (PWT).
Note: The chart depicts the distribution of the growth in median productivity for each country during the period 1960-2010. The vertical line represents the United States.

[3] IDB (2014). How to Rethink Productive Development? Sound policies and institutions for economic change. Washington DC.

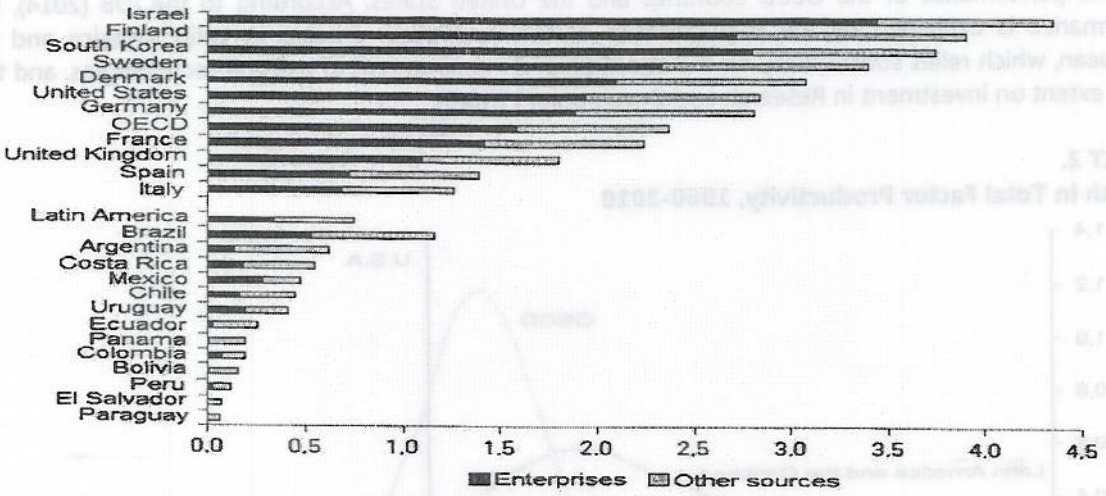
Innovation can be defined as the implementation of products, processes, services or new or significantly improved organizational models (OECD, 2005)[4].

Empirically, great efforts have been made to obtain a robust approach to the measurement of progress in the field of innovation, including the World Intellectual Property Organization (WIPO)'s Global Innovation Index, which comprises 79 indicators that show the performance of countries in knowledge production and adaptation. According to Griliches (1979),[5] knowledge production can be explained through a knowledge production function, where innovation is the result of inputs such as investment in research and development (R&D). An expanded version of this idea includes other inputs, such as human capital, training, equipment, licenses and software, among others. In this connection, the measurement of these inputs through the R&D expenditure as a percentage of GDP, number of patents and other intellectual property rights, productivity rates and scientific publications allows for obtaining results of progress in the field of innovation.

As regards innovation derived from Research and Development (R&D) processes, Chart 3 shows the R&D expenditure as a percentage of the gross domestic product (GDP) for selected countries. As can be seen, in Latin America, 0.8% of GDP is targeted at activities associated with Research and Development, while in the OECD countries and in the United States, this expenditure represents 2.4% and 2.7% of their respective levels of production.

CHART 3.

R&D expenditure as a percentage of GDP and by source of finance



Source: IDB (2014), based on the OECD (2010)[6]; RICYT (2013)[7].

Note: The data correspond to 2010 or the latest available year: 2009 for Bolivia, Costa Rica and Peru, and 2008 for Ecuador and Paraguay. Data for Peru are based on calculations by the IDB from innovation surveys and data from the OECD (2011).

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[4] OECD (2005). *Innovation Policy and Performance: A Cross-Country Comparison.* Paris: Publication by the OECD.

[5] Griliches, Z. (1979). "Issues in Assessing the Contribution of Research and Development to Productivity Growth." *Bell Journal of Economics.*

[6] OCDE (2010). "R&D Tax Incentives: Rationale, Design, Evaluation." Paris: OECD

[7] Red de Indicadores de Ciencia y Tecnología (RICYT, 2013). *Base de datos de indicadores.* Buenos Aires: RICYT. Avalable at http://www.ricyt.edu.ar

In accordance with the World Intellectual Property Organization (WIPO)[8], Intellectual Property refers to creations of the mind: inventions; literary and artistic works; and symbols, names and images used in commerce. Intellectual property is divided into two categories: a) Industrial Property: includes patents for inventions, trademarks, industrial designs and geographical indications; and b) Copyright: covers literary works (such as novels, poems and plays), films, music, artistic works (e.g., drawings, paintings, photographs and sculptures) and architectural design. In this connection, intellectual property rights play a central role in the promotion of innovation by enabling authors and owners of creations to take advantage of the benefits derived from it.

According to WIPO[9], there are several compelling reasons to promote and protect intellectual property rights. First, the progress and well-being of humanity rest on its capacity to create and invent new works. Second, the legal protection of new creations encourages the commitment of additional resources for further innovation. Third, the protection of intellectual property rights spurs economic growth, creates new jobs and industries, and enhances the quality and enjoyment of life.

A major effort in the calculation of indicators to obtain an approach to the performance of countries and groups of countries in protection of property rights is made by the Hernando De Soto Fellowship[10] with the International Property Rights Index. This methodology for calculating the Property Rights Index includes three key components:

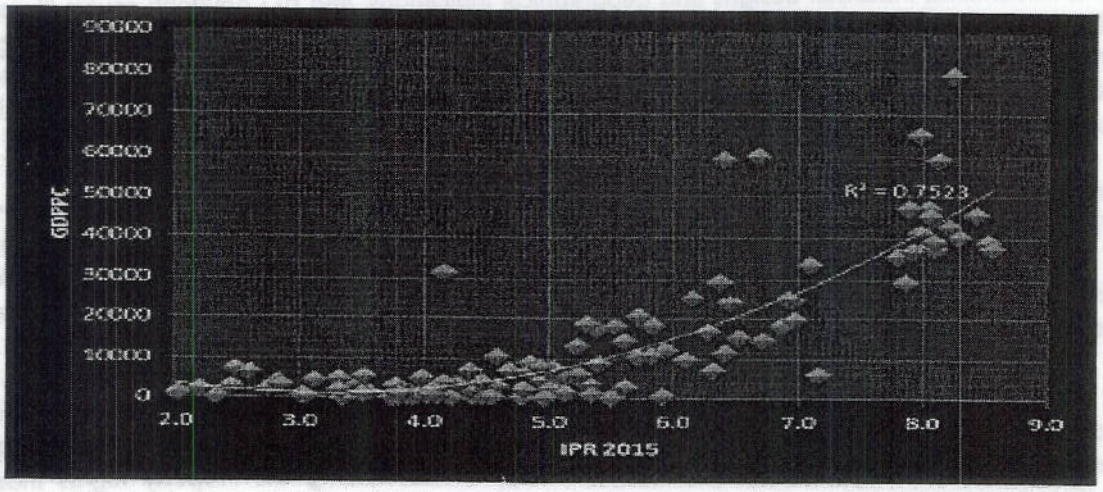
a) Legal and Political Environment: refers to the independence of its judicial system, the strength of the rule of law, the control of corruption and the stability of its political system.
b) Physical Property Rights: provides for the protection of physical property rights and registration of property.
c) Intellectual Property Rights: is related to the protection systems of intellectual property rights, patent protection and copyright piracy[11].

As regards the Intellectual Property Rights component, the assessment criteria are linked to the evaluation of the characteristics of coverage, membership in international treaties on protection of intellectual property rights, restrictions on patent rights, duration of protection and credibility in the application of the legislation.

An estimate made by the Hernando De Soto Fellowship, in its document "*International Property Rights Index 2015,*" shows a strong and positive relationship between protection of intellectual property rights and high per capita income levels. As can be seen in Chart 4, which shows results obtained from a sample of countries in 2015, it can be said that nations with higher per capita income levels are characterized by having more efficient protection systems of intellectual property rights.

[8] Taken from the Web site: http://www.wipo.int/edocs/pubdocs/es/intproperty/450/wipo_pub_450.pdf
[9] Taken from the Web site: http://www.wipo.int/edocs/pubdocs/es/intproperty/450/wipo_pub_450.pdf
[10] The Hernando De Soto Fellowship was created by the Property Rights Alliance, comprising a set of national organizations which are responsible for protecting property rights in countries and allows for a survey of information for the calculation of the Property Rights Index. Additional information is available at: http://internationalpropertyrightsindex.org/scholarship
[11] Taken from the official Web site: http://internationalpropertyrightsindex.org/about

CHART 4.
Relationship between Intellectual Property Right and GDP per capita (Year 2015)



Source: Hernando De Soto Fellowship, in its document "International Property Rights Index 2015"[12]

In this regard, the performance of Latin American and Caribbean countries points to great challenges to overcome. As can be seen in Table 1, the Intellectual Property Rights Index value in Latin America and the Caribbean is systematically lower than that of the advanced economies, emerging and developing European countries and the world average. In addition, the Table shows that the performance of the region in the field of protection of intellectual property rights is slightly above the scale of upper-middle-income countries, with a remarkable gap with respect to high-income countries.

TABLE 1.
Results of the International Property Rights Index. Groups of countries (year 2015)

Name of group	Group	Property right index value	Intellectual property right index value
Region and Development Classification	Advanced Economies	7.09	7.28
	Commonwealth of Independent States	4.17	3.18
	Emerging and Developing Asia	4.59	4.24
	Emerging and Developing Europe	5.01	4.70
	Latin America and the Caribbean	4.62	4.52
	Middle East, North Africa and Pakistan	4.83	4.28

[12] Taken from: https://s3.amazonaws.com/ipri2015/IPRI+FINAL+110415.pdf

	Sub-Saharan Africa	4.46	4.37
Income Classification	High income: non-OECD	6.15	5.72
	High income: OECD	7.09	7.35
	Low income	3.93	4.00
	Lower middle income	4.33	3.91
	Upper middle income	4.74	4.38
	World average	5.3	5.14

Source: Hernando De Soto Fellowship, in its document "International Property Rights Index 2015" [13]

In order to promote a process of productive transformation that enhances productivity, competitiveness and economic growth in the region, it is necessary to achieve progress in the field of protection of intellectual property rights.

To improve this performance, frameworks for protection of intellectual property rights are a key element. The design and implementation of efficient frameworks for protection of intellectual property rights allow the generation of the appropriate incentives to encourage the creative activity of companies, while facilitating the spill-over effect for the dissemination of knowledge and technology transfer.

In this connection, it is necessary to analyze and understand the frameworks for protection of intellectual property rights in Latin America and the Caribbean and their degree of adaptation in the modern economic dynamics to boost the region's productivity and competitiveness.

Aware of the great challenges that the region must overcome to promote the productive transformation, the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA) has carried out a series of activities aimed at generating a knowledge-based platform that will contribute to the decision-making process to promote innovation. In this connection, the development of studies on regional articulation and convergence has been promoted: "Analysis and design of public policies to support SMEs and their participation in regional value chains" (2013), "Opportunities and challenges for coordination and convergence of subregional integration mechanisms in Latin America and the Caribbean" (2014) and "Regulatory frameworks in subregional integration mechanisms in Latin America and the Caribbean: harmonization and convergence" (2015). The conduction of events for the exchange of experiences in the field of innovation has also been promoted, namely: "Seminar on promotion of innovation to improve the competitiveness of small and medium-sized enterprises (SMEs) in Latin America and the Caribbean" (2014) and the "Regional Meeting on innovation, competitiveness and productivity" (2015).

[13] Taken from: https://s3.amazonaws.com/ipri2015/IPRI+FINAL+110415.pdf

Part Ib. Strategy

The strategy of this project is intended to strengthen and promote cooperation in the field of intellectual property in Latin America and the Caribbean through an initial meeting, aimed at generating synergies and deepening the discussion of this subject, so that the specialized regional and subregional institutions can schedule other meetings that enable them to share experiences, exchange offers and requests for cooperation, develop inter-institutional agreements and identify areas of mutual interest in their respective work programmes.

Part II. Results Framework

PROJECT RESULTS AND RESOURCES FRAMEWORK

Intended Outcome:

The Project is intended to: i) Present a general assessment of the advances in the field of regulatory frameworks on intellectual property, industrial property, copyrights, trademarks and patents in Latin America and the Caribbean; ii) promote cooperation and the exchange of experiences among intellectual property offices in the Member States of SELA; iii) display and exchange successful experiences and best practices in the field of cooperation on intellectual property; and iv) identify opportunities for international, triangular and South-South cooperation that can be developed in intellectual property offices with the support and coordination of focal points in charge of international cooperation in Latin America and the Caribbean, as well as cooperation actions and initiatives that can be developed in regional and international organizations.

Outcome indicator:

- Make an evaluation of public policies implemented so far in the field of intellectual property in Latin America and the Caribbean and a survey of the main initiatives carried out in the region at the level of countries and regional and subregional institutions.
- Develop a survey of the main initiatives, programmes and projects that are implemented by the different regional and subregional cooperation schemes in Latin America and the Caribbean, giving priority to the identification of successful experiences and best practices.
- Develop a survey of information on opportunities for international, South-South and triangular cooperation that are available to the Latin American and Caribbean countries in the field of intellectual property in Latin America and the Caribbean.
- Identify proposals and mechanisms for better use and coordination of international cooperation in the field of intellectual property.

Project title and number: ----------				
Intended Outputs	**Activities**	**Inputs**	**Budget Line**	**Budget (2016)**
Study on cooperation in the area of intellectual property in LAC	Preparation of the study on cooperation in the area of intellectual property in LAC	Assessment, proposals and recommendations on cooperation in the area of intellectual property in LAC	SELA	US$ 6,000
		Travel and accommodation expenses of consultant	SELA	US$ 2,800
Meeting space to evaluate cooperation in the area of intellectual property in LAC	Convening of the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean: "Cooperation in Intellectual Property in Latin America and the Caribbean".	Travel expenses of representatives of regional institutions specialized in intellectual property in LAC (12)	PGTF	US$ 14,400
		Accommodation expenses of representatives of regional institutions specialized in intellectual property in LAC (12)	PGTF	US$ 12,600
		Travel expenses of International Cooperation Directors for LAC (12)	SELA	US$ 14,400
		Accommodation expenses of International Cooperation Directors for LAC (12)	SELA	US$ 12,600
		Logistic and operational expenses: Conference room rental, etc.	SELA	US$ 1,700
		Translation and Interpretation	PGTF	US$ 720
		Refreshments	SELA	US$ 2,000
		Reproduction	SELA	US$ 500
		Publications, final report and CDs	SELA	
Report on Conclusions and Recommendations from the meeting Rapporteur's report on the meeting	Preparation of Final Rapporteur's Report on the meeting	Memoir of the regional meeting to be disseminated among participants and interested institutions		
		Execution Fee %		280
		Total		**$US 68,000**
		PGTF funds		**US$ 28,000**
		SELA funds		**US$ 40,000**

Part III. Management Arrangements

Management arrangements.

This project will be implemented by the Permanent Secretariat of the Latin American and Caribbean Economic System (SELA).

SELA is a regional intergovernmental organization with headquarters in Caracas, Venezuela. It is made up of 27 countries in Latin America and the Caribbean (Argentina, Bahamas, Barbados, Belize, Bolivia, Brazil, Colombia, Costa Rica, Cuba, Chile, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay and Venezuela). It was created on 17 October 1975 through the Panama Convention.

The fundamental purposes of SELA are: i) To promote intra-regional cooperation in order to accelerate the economic and social development of its members; ii) To provide a permanent system of consultation and coordination for the adoption of common positions and strategies on economic and social matters; and iii) To promote regional integration through actions designed to contribute to coordination among existing subregional schemes.

During its 41 years of existence, SELA has been organizing events, forums, seminars, workshops and programmes with a regional scope in various areas related to development, cooperation and integration in Latin America and the Caribbean. SELA has not limited its efforts to the Latin American and Caribbean region, but has also tried to incorporate other developing regions of the world in its activities. This includes actions aimed at boosting technical cooperation among developing countries and South-South Cooperation (horizontal cooperation).

SELA has accumulated vast experience in promoting Latin American and Caribbean regional cooperation. Since its inception in 1975, the Latin American Council – the highest decision-making organ of SELA – has adopted a variety of Decisions to strengthen regional cooperation, which have involved the inclusion of different activities in this regard in the Work Programmes of the Permanent Secretariat.

It must be noted that, with such efforts, the Permanent Secretariat has undertaken actions to strengthen South-South Cooperation, thanks to the support and collaboration of the Perez-Guerrero Trust Fund.

This new project, entitled "Cooperation for intellectual property and productive transformation in Latin America and the Caribbean," being submmited to the Perez-Guerrero Trust Fund (PGTF), is aimed at deepening the actions undertaken by SELA to support South-South Cooperation.

The project would also allow for joining regional efforts towards the definition and implementation of a better coordinated cooperation programme in intellectual property, with a more permanent nature, on this priority subject for the region.

The Permanent Secretariat has identified and remains in contact with the regional, subregional and national counterparts responsible for cooperation policies in the area of intellectual property in Latin America and the Caribbean, who will be convened to participate in this regional project.

Project Budget
INT/--/K--/95/99 [UNDP will insert] – [Title of Project]

Budget "A"
Main Source of Funds: Perez-Guerrero Trust Fund.

Bud. Line		Description	Exe. Agy	Total	2016	
	10	**PERSONNEL**				
11.01		***International Consultants***		**US$**		
		LAC Consultant (Study)	SELA			
15.01		***Official Travel***		**US$**		
16.01		Missions (international travel)				
		Representatives of institutions specialized in intellectual property in LAC	PGTF	14,400	14,400	71600
	30	**TRAINING**				
32.01				**US$**		
		Representatives of institutions specialized in intellectual property in LAC	PGTF	12,600	12,600	75900
	39	**TRAINING COMPONENT TOTAL**		**US$**		
	40	Equipment				
45.01		Expendable equipment				
45.02		Non-expendable equipment				
	50	**MISCELLANEOUS**				
52.01		*Reporting Costs*		**US$**		
		Interpretation	PGTF	720	720	74500
		Translation	PGTF			
		Reproduction				
		Refreshments				
		Publication and CDs	SELA			
	59	**MISCELLANEOUS COMPONENT TOTAL**		**US$**		
	90	**EXECUTION FEE**		280	280	75100
96.01		*Execution Fee (?%) [Leave blank when submitting. To be inserted by UNDP]*		**US$**		
096.99		Line Total		**US$**		
	99	**BUDGET TOTAL**		**US$**	**28,000**	

Annex 1 Work plan.

Work plan for the next [x] months

		INT/--/--/-/-/- [to be inserted by UNDP]	Revision: A					
Outcome	**Output**	**Activities and Management Actions**	**Jan-Feb 2017**	**Mar-Apr-2017**	**May-Jun 2017**	**Jul-Aug 2017**	**Sep-Oct-2017**	**Nov-Dec-2017**
T01	1	Regional and subregional focal points specialized in *intellectual property in LAC* b/						
		Action 1: Identifying and contacting focal points in charge of intellectual property in LAC.	Feb-17					
		Action 2: Preparing the Directory of Focal Points specialized in the subject. Responsibility: SELA		Mar-17				
T01	2	Studies on strengthening and promotion of cooperation in intellectual property in LAC						
		Action 1: Commissioning the study. Responsibility: SELA		Mar-17				
T01	3	XXVIII Meeting of International Cooperation Directors for Latin America and the Caribbean: Strengthening and promotion of cooperation in intellectual property in Latin America and the Caribbean						
		Action 1: Convening the Meeting on cooperation in intellectual property in LAC. Responsibility: SELA			Jun-17			
		Action 2: Conducting the Meeting. Responsibility: SELA					Sep-17	
		Action 3: Drafting conclusions and recommendations.					Sep-17	

	Responsibility: SELA	
	Action 4: Drafting Rapporteur's Report on the Meeting. Responsibility: SELA	Oct-17

United Nations
Office for South-South Cooperation

SSC/2017/01/0012

12 January 2017

Dear Mr. Peter Grohmann,

Subject: Project "Cooperation for intellectual property and productive transformation in Latin America and the Caribbean" approved for funding from Perez-Guerrero Trust Fund for South-South Cooperation– Reference number INT/17/K07

The above proposal submitted by the Permanent Secretariat of the Latin American and the Caribbean Economic System (SELA) was approved to be funded by Perez-Guerrero Trust Fund for South-South Cooperation (PGTF) at the 40th Annual Ministerial Meeting of the Group of 77 (New York, 2016), which has the substantive mandate to appraise the PGTF proposals. The PGTF grant for this project is US$ 28,000.00.

The PGTF was established by the General Assembly resolution 38/201 of 20 December 1983, with the purpose of supporting activities in economic and technical cooperation among developing countries (ECDC/TCDC) members of the Group of 77. The United Nations Office for South-South Cooperation (UNOSSC) as the Fund Manager of the PGTF is forwarding the project document and requesting your office to support this grant's implementation under the National Implementation or other relevant framework. Please submit the project document to the Permanent Secretariat of the Latin American and the Caribbean Economic System (SELA) for signature, approve the project and proceed with disbursement of US$ 25,200.00, which represents 90% of the resources approved for funding from PGTF. Please refer to the annexed guidelines for the implementation of PGTF projects.

In line with the Administrator's commitment to support the G77 with minimum cost, it has been a common practice to charge up to 1% of the direct project costs as the Country Office's share of the General Management Support and the Implementation Support Services, which should be part of the total budget approved for funding from PGTF.

To enable us to establish the appropriate ASL for disbursement of the funds, kindly forward a copy of the fully signed project document and the relevant award/project number in ATLAS. Please also note that once the ASL is confirmed your office has full authority over the implementation of the project.

Yours sincerely,

Jorge Chediek
Director
United Nations Office for South-South Cooperation

Mr. Peter Grohmann, OIC
UN Resident Coordinator / UNDP Resident Representative

Cc: Mr. Arturo Lozano, Group of 77/PGTF, New York
Ms. Virginia Cartaya, Permanent Secretariat of the Latin American and the Caribbean Economic System (SELA)

United Nations
Office for South-South Cooperation

SSC/2017/01/0012

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Mr. Peter Grohmann, OIC
UN Resident Coordinator / UNDP Resident Representative

Cc: Mr. Arturo Loanno, Group of 77/PGTF, New York
Ms. Virginia Cardya, Permanent Secretariat of the Latin American and the Caribbean Economic System (SELA)

Guidelines for the Implementation of PGTF Grants

Implementation Arrangements

1. A number of operational arrangements have been used to implement PGTF grants, in line with the UNDP Programme and Operations Policies and Procedures (POPP) for managing resources under National Implementation (NIM), Inter-governmental Organization (IGO) Implementation or Non-Governmental Organization (NGO) Implementation. The preferred arrangement may vary depending on the preferences of the NIM agency and a Country Office, on the legal nature of the institution that will receive the resources, on the history of partnership and/or of on-going activities between a Country Office and the implementing partner, and on the applicable thresholds for financial transfers.
2. The UNDG Framework for Cash Transfers to Implementing Partners is often the preferred arrangement, if acceptable to the country office. In this case, the designated institution submits to the CO the work plan with the corresponding budget for the entire project for signature. It also submits a Funding Authorization and Certificate of Expenditures (FACE) request for advance of the initial installment to start activities. This will correspond to maximum of 90% of the resources. The remaining 10% may be requested as a reimbursement upon completion of the project and submission of the final report.
3. Other operational arrangements may include addition of this small grant into an existing larger project and issuance of a direct payment, or the signing of a micro-capital grants agreement for non-credit related activities between the CO and the institution that receives the grant from PGTF. This arrangement might be preferred when the granted institution is an NGO, or it is an institution independent of the NIM government. Other implementation arrangements compliant with POPP are also acceptable.
4. With regard to the implementation arrangements, the Country office should facilitate the development of a work plan, FACE report, micro-capital grants agreement or direct payment, as applicable, consistent with the agreed schedule of deliverables as called for in the proposal approved for PGTF funding.

PGTF Projects and ATLAS

5. In line with the Administrator's commitment to support the G77 with minimum cost, it is a common practice to charge up to 1% of the approved budget as the Country Office's share of the General Management Support and the Implementation Support Services.
6. The relevant codes that the Country Office should use in Atlas are:
   a) Fund 59020;
   b) The Country Office Business Unit;
   c) The Country Office Budgetary Department ID.
7. The PGTF projects are fully funded activities, therefore no over-expenditure should occur.
8. The Guidelines for the Utilization of PGTF (pls. refer to: http://g77.org/pgtf/guideline.html) require a mandatory withholding of 10% of the funds allocated, to be released when all project activities are completed and all reports are received, including progress, terminal and expenditure reports.
9. The remaining 10% is to be disbursed upon successful completion of a project and submission to a Country Office of all reports, including substantive progress and final reports, and expenditure reports.
10. Any remaining PGTF funds not utilized for the activities supported by the PGTF indicated in the project must be returned to the Perez Guerrero Trust Fund for South-South Cooperation

Reporting

11. Copies of all reports are to be sent to the Director of the United Nations Office for South-South Cooperation (UNOSSC) and copied to the office of the Chairman of the G77 for our records.
12. Progress reports are required to be submitted to the Country office not later than six months from the commencement of the project activities, copied to the Office of the Chairman of G-77 and the Director of UNOSSC.
13. The final substantive report (including any relevant substantive documents resulting from the project) and final financial report should be submitted to the Country Office within 20 working days after the completion of all project activities. These will serve as a basis for the payment of the final installment of 10%.

Guidelines for the Implementation of PGTF Grants

Implementation Arrangements

1. A number of operational arrangements have been used to implement PGTF grants, in line with the UNDP Programme and Operations Policies and Procedures (POPP) for managing resources under National Implementation (NIM), Inter-governmental Organization (IGO) Implementation or Non-Governmental Organization (NGO) Implementation. The preferred arrangement may vary depending on the preferences of the NIM agency and a Country Office, on the legal nature of the institution that will receive the resources, on the history of partnership and/or of on-going activities between a Country Office and the implementing partner, and on the applicable thresholds for financial transfers.

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3. Other operational arrangements may include addition of this small grant into an existing larger project and issuance of a direct payment, or the signing of a micro-capital grants agreement for non-credit related activities between the CO and the institution that receives the grant from PGTF. This arrangement might be preferred when the granted institution is an NGO, or it is an institution independent of the NIM government. Other implementation arrangements compliant with POPP are also acceptable.

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PGTF Projects and ATLAS

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13. The final substantive report (including any relevant substantive documents resulting from the project) and final financial report should be submitted to the Country Office within 20 working days after the completion of all project activities. These will serve as a basis for the payment of the final instalment of 10%.

14. The terminal substantive report (including any relevant substantive documents resulting from the project) should be disseminated to the participating beneficiary countries by the Country Office.

Annual Work Plan

Venezuela - Caracas

Project: 00102989

Project Title: Propiedad Intelectual Productiva

Report Date: 4/4/2017

Year: 2017

Output	Key Activities	Timeframe		Responsible Party	Planned Budget				
		Start	End		Fund	Donor	Budget Descr		Amount US$
00104894 Propiedad Intelectual Producti	Propiedad Intelectual Produc	1/3/2017	31/10/2017	SELA	59020	UNDP	74500	Miscellaneous Expenses	720.00
				SELA	59020	UNDP	75100	Facilities & Administration	280.00
				SELA	59020	UNDP	75700	Training, Workshops and Confer	12,600.00
				SELA	59020	UNDP	71600	Travel	14,400.00
TOTAL									**28,000.00**
GRAND TOTAL									**28,000.00**

Annual Work Plan

Venezuela - Caracas

Project: 00102063

Project Title: Projetadas Intellectual Productivity

Report Date: 4/4/2017

Year: 2017

Output		Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr		Annual US$
00108684	Projetadas Intellectual Productivity	Projetadas Intellectual Productivity	1/1/2017	31/12/2017	SELA	38000	UNDP	71600	Miscellaneous Expenses	750,00
					SELA	63000	UNDP	72100	Facilities & Administration	250,00
					SELA	63000	UNDP	75700	Training, Workshops and Confer	17,650,00
					SELA	63000	UNDP	71600	Travel	10,400,00
TOTAL										28,050,00
GRAND TOTAL										28,050,00