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Committee on Development and Intellectual Property (CDIP)

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REVISED PROJECT PROPOSAL BY INDONESIA AND THE UNITED ARAB EMIRATES ON PROMOTING THE USE OF INTELLECTUAL PROPERTY IN DEVELOPING COUNTRIES IN CREATIVE INDUSTRIES IN THE DIGITAL ERA

prepared by the Secretariat

- 1. The Committee on Development and Intellectual Property (CDIP), at its twenty-fifth session, discussed document CDIP/25/8 Rev. on the *Project Proposal Submitted by the Republic of Indonesia and the United Arab Emirates on Promoting the Use of Intellectual Property in Developing Countries in Creative Industries in the Digital Era.* The Committee "took note of the project proposal and requested the proposing countries to revise the document with the assistance of the Secretariat, based on comments made by other delegations, for its consideration at the next session".
- 2. The Annexes to this document contain the revised project proposal by Indonesia and the United Arab Emirates on Promoting the use of Intellectual Property in Developing Countries in Creative Industries in the Digital Era, prepared with the support of the WIPO Secretariat.
 - 3. The CDIP is invited to consider the information contained in the Annexes to this document.

[Annexes follow]

1. SUMMARY	
Project Code	DA_1_4_10_12_19_24_27_01
<u>Title</u>	Promoting the Use of Intellectual Property (IP) in Developing Countries in Creative Industries in the Digital Era
Development Agenda Recommendations	1, 4, 10, 12, 19, 24 and 27
Brief Description of Project	The proposed project aims at strengthening the creative industries through enhancing the use of the IP system by local businesses, as well increasing the capacity of IP authorities of participating countries in light of changes in the digital era. In particular, the project aims at: (1) enabling creative industries stakeholders to protect, manage, exploit, and enforce intellectual property rights (IPRs) to support the marketing of creative and cultural products and services, and (2) building networks between local creative industries in order to facilitate transfer of information, cooperation, and improve market performance.
Implementing Program	Implementing program : Program 3 Related programs: Program 2, Program 17 and Program 30
Links to other related Program(s)/ DA Project(s)	DA_8_01, DA_8_02, DA_19_30_31, DA_16_20_01 and DA_16_20_02, DA_16_20_03
Links to Expected Results in the Program and Budget	III.2 Enhanced human resource capacities able to deal with the broad range of requirements for the effective use of IP for development in developing countries, LDCs and countries with economies in transition. IV.2 Enhanced access to, and use of, IP information by IP institutions and the public to promote innovation and creativity. III.6. Increased capacity of SMEs, universities and research institutions to successfully use IP to support innovation.
Project Duration	36 months
Project Budget	Total budget: 795,000 Swiss francs, for non-personnel resources

2. PROJECT DESCRIPTION

2.1. Introduction to the issue

The creative industries are among the most rapidly growing industries in many economies, including in developing countries. These industries encourage creativity, technology, culture and innovation while also fostering economic growth and providing opportunities for employment. With the advancement in technology especially the digital revolution, education and innovation, creative and knowledge-based industries have emerged as among the dynamic sectors of the global economy.

The creative economy is also an important part of the global trade. According to the report published by UNCTAD "the global market for traded creative goods and services totaled \$547 billion in 2012. Cross border trade of creative goods has shown sustained growth in the last decade. Growth rates stood at 8.6 per cent annually from 2003 to 2012."¹

Creative industries grow and thrive as liaison among culture, economy, and technology. Innovation in these industries is often a collaborative process that involves many different actors and stakeholders with specific IP needs. The IP system has always been identified as one of the key instruments for creative industries. Creative industries are sometimes defined as those industries, "which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property"². Creative industries generate products which involve different types of IP rights, most importantly copyright, but can also include designs, trademarks, and sometimes patents. Creative industries can flourish in an environment with a functioning IP system, where the different economic operators can benefit from their IP.

One of the most pressing challenges in the creative economy today is how to enhance the use of IP for sustained socio-economic development. There is an urgent need to focus more attention on educating and training creative industries stakeholders on how to use the IP system in the process of creation, protection, management and exploitation of their creative products and how to enforce their IPRs. The creative industries represent a complex area where large knowledge gaps exist. They consist of many, and highly diverse, stakeholders, comprising both traditional cultural industries and digital businesses, Micro, Small, and Medium Enterprises (MSMEs) and large corporations, private and public entities, for profit and non-profit structures.

The need to be able to fully utilize the IP system has become even more critical in the digital era. Digitization and the advancement of information technology have opened more opportunities and presented new challenges for creative industries. They have changed the way creative products and services are being created, produced, marketed, distributed, and consumed. Increased digitization has reduced entry barriers and created opportunities for all nations to participate in the global creative economy. Online access to information and research, increase in interconnectivity, and the participation of the creative industry itself in the digital era, has allowed creative businesses to market goods and services to a wider and

¹ Creative Economy Outlook and Country Profiles: Trends in international trade in creative industries, UNCTAD 2015, <u>Creative Economy Outlook And Country Profiles</u>

² Definition provided by the Department of Culture, Media and Sport, United Kingdom, <u>Definition provided by the Department of Culture</u>, Media and Sport, United Kingdom

more diverse audience. The digital age has also enabled talents from all around the world to work together and generate more ideas and products than ever, in a collaborative way.

The increased opportunities for cooperation brought about by digitization have created a pressing need for the creative sectors to understand how to protect their creative and innovative ideas as well as how to commercialize their creative products through licensing agreements or other IP tools. The digital era also presents specific challenges to creative businesses in the field of IP. Digital technologies, tools and platforms have contributed to creating a truly global market for creative industries, but also a place where pirated products and counterfeits have disrupted possibilities for creators to make a living from their work. IP infringements in the digital environment have resulted in much lost profits and jobs, they have harmed the reputation of creators and limited growth opportunities for both developing and developed countries. Infringements have spread on all forms of IP and dealing with them requires a good knowledge of IP, but also higher levels of digital literacy to use the digital infrastructure.

The new opportunities presented in the digital environment often remain underused by creative enterprises especially those in developing countries. Creative businesses and institutions in developing countries lack digital skills, they still rely on offline marketing and physical distribution with almost non-existent branding strategies, which limits their access to information and reaching potential markets.

There are therefore two interrelated primary objectives that need to be addressed in promoting and strengthening the creative industries in developing countries. The first is building the capacity of local creative industries and of national authorities, including IP offices, to use and leverage IP tools and implement strategies to add value that differentiates their creative products and services, and to diversify their economic activities in the digital era. The second, which is of crucial importance to enable the implementation of the first, is building networks between local creative industries in order to facilitate transfer of information, cooperation, and growth.

For the purposes of the project, the creative industries that will be targeted will include the following sectors: the audiovisual industry, including film and animation; the publishing industry; the music industry; videogames; mobile applications and fashion.

The project will focus on the importance and relevance of copyright and related rights, which have a major role in these industries while other forms of IP will be involved as appropriate. It will concentrate its outputs on the aspects related to the functioning of creative industries in the digital environment.

To the extent possible, the project will build on existing material in WIPO on the creative industries, while establishing synergies and seeking efficiencies through adapting content to the specific objectives of the project and the needs of the beneficiaries.

The project will seek to achieve tangible results, which will have a measurable impact with regard to the set objectives.

2.2. Objectives

The proposed project aims at strengthening the creative industries of participating countries, with the following two main objectives:

- I. Build the capacity of local businesses involved in creative industries and of national authorities, including IP offices, to use and leverage IP tools and strategies to add value that differentiates their products and services, and to diversify their economic activities; and
- II. Establish networks between local creative industries stakeholders, in order to facilitate transfer of information, cooperation, and stimulate growth.

In particular, the project aims to:

- (a) Upgrade professional skills and raise IP awareness among stakeholders in the selected creative sectors on issues such as:
 - (i) The role that the IP system can play in fostering creativity and innovation and adding value through the protection of creative products;
 - (ii) The IP documentation, management and where relevant registration processes and their roles in maximizing income streams to creative industries stakeholders';
 - (iii) The need to respect and enforce intellectual property as the main intangible asset of most creative enterprises.
- (b) Support the establishment of creative industries infrastructure at national and regional levels, where appropriate, to facilitate the operation of IP-based transactions or the use of the IP system for business.
- (c) Strengthen inter- and intra-industry networks among stakeholders in the creative industries to facilitate collaborations and transfer of knowledge.

2.3. Delivery Strategy

The project objectives will be achieved through the following outputs and activities:

Output 1 – Adoption of a feasible, strategic approach to achieving improvements in the selected creative sectors in the beneficiary countries.

Activities:

- (a) Carry out a scoping study on the specific situation in the selected creative industries in the beneficiary countries to identify strategic issues that need to be addressed in the implementation of the project in alignment with national policies, including the scope and reasons for underutilization of IP:
- (b) Present the results of the study to the stakeholders to ensure targeted impact of the project.

Output 2 - Upgrade skills of creative industries stakeholders on IP protection, management, exploitation and enforcement, as well as digital marketing, relevant for the selected creative sectors.

Activities:

(a) Develop generic materials, tailored for governments on ways in which IP management and enforcement can be used to enhance the creative industries, on

policy strategies to increase accessibility of IP system and its usage, as well as improved management of IP systems;

- (b) Develop materials, tailored for the selected creative industry stakeholders. The materials should cover how to identify, manage and enforce IP rights as business assets in the particular sectors;
- (c) Deliver capacity building for institutions, creators and other stakeholders in the selected creative industries on digital aspects of IP management, including marketing, enforcement, and other areas related to digitization combining innovative approaches for delivery of content and traditional forms, as appropriate:
- (d) Develop mentorship programs with mentors in the selected areas willing to support the upgrade of the professional levels in the participating companies, organizations and institutions.

Output 3 – Increased awareness of governments and businesses in creative industries on the importance of utilizing the IP system and improved capacity to make informed strategic choices relating thereto.

Activities:

- (a) Create an information channel for the dissemination of knowledge concerning collaboration opportunities, IP protection, and IP management;
- (b) Hold national events in each of the participating countries for businesses in the creative industries aimed at increasing awareness on the importance of IP protection, IP management, and IP strategies for businesses;
- (c) Develop guidelines for awareness raising activities, tailored for representatives of the national authorities, including but not limited to IP offices; on ways in which IP management and enforcement can be used to enhance the creative industries' policy strategies to increase accessibility to, and the use of, the IP system; and improve the overall management of IP systems;
- (d) Launch digital awareness campaigns for creators, managers and users of creative content.

Output 4 – Established national and regional networks, providing mentorship opportunities, where possible, amongst stakeholders in the creative industries.

Activities:

- (a) Establish a system for providing relevant updated information on the selected creative industries;
- (b) Hold two networking events connecting members of the networks in each participating country;
- (c) Establish national and, where appropriate, regional hubs for creative businesses.

Selection criteria for beneficiary countries:

Four (4) developing countries and/or LDCs where creative industries have a significant growth potential will be chosen for the pilot project. The selection of two pilot countries, in addition to Indonesia and the UAE, will be based on the following criteria:

- 1. Expression of interest by the Member State;
- 2. Existence of a national framework for IP protection;
- 3. Existence of a significant number of creative businesses in the selected areas;
- 4. Existence of national or local associations or organizations dedicated to supporting creative businesses, and/or government institutions responsible for said industries;
- 5. Actual need to support creative industries in accessing and understanding the IP system;
- 6. Commitment of the participating countries to dedicate the necessary resources for the effective implementation of the project and its sustainability; and
- 7. Appointment of a national coordinator who will act as the country's institutional representative and focal point for the implementation of the project.

In addition, the pilot countries will be selected with a view to ensuring geographical balance and diversity in socio-economic development.

Member States interested in participating in the project as pilot countries will submit a proposal containing a brief description of the elements mentioned above.

The selection process will enable the project team to assess the commitment and the actual capacities of prospective candidates to invest time and resources in the process.

An important aspect of the delivery strategy will be the combination of virtual and physical events which will be established depending on the overall global health situation related to the COVID-19 pandemic, and the stated preferences of the selected beneficiaries.

2.4. Potential risks and mitigating measures

Risk 1: There may be no established national network of the creative industries that is linked with the IP system.

Mitigation 1: The project manager will engage with relevant government agencies and integrate the implementation of the project along with government's current priorities in the development of creative industries;

Risk 2: Businesses may see no real benefit from utilizing the IP system.

Mitigation 2: Thorough assessment should be done on the type of businesses provided by local players as well as market conditions prior to choosing the participating countries.

Risk 3: The global public health situation related to the COVID-19 pandemic may negatively impact the engagement with creative industries' stakeholders.

Mitigation 3: The project will be actively advertised through digital channels and scenarios will be developed to deliver activities predominantly in virtual mode.

3. REVIEW AND EVALUATION

3.1. Project Review Schedule

The project will be reviewed once a year with a progress report submitted to the CDIP. At the end of the project, the project manager will present a completion report and an independent evaluation will be carried out and its report will be submitted to the CDIP.

3.2. Project Self-Evaluation

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Project Outputs	Indicators of Successful Completion (Output Indicators)
1. Adoption of a feasible, strategic approach to achieving improvements in the selected creative sectors in the beneficiary countries.	 Elaboration of a Scoping Study on the selected creative sectors in the participating countries on the use of the IP system by creative businesses, the national strategic priorities, the causes and scope for the underutilization of the IP system, suggesting a feasible approach to achieve strategic objectives. Scoping Study validated by the beneficiaries and the WIPO Secretariat.
2. Upgrade skills of creative industries' stakeholders on IP protection, management, exploitation and enforcement, as well as digital marketing, relevant for the selected creative sectors.	 Developed generic material on IP management and commercialization in the digital environment for government institutions. Six tools for the selected creative sectors on IP protection, management and commercialization for creators, developed. Two (tbc) capacity building events in each of the beneficiary countries in selected creative sectors, delivered. 4 (one in each country) successful mentorship programs launched.
3. Increase awareness by local governments and creative businesses on the importance of utilizing the IP system to make informed strategic choices relating thereto.	 An information channel for the dissemination of knowledge concerning collaboration opportunities, IP protection, and IP management established in each participating country. Four national events (one in each participating country) for creative businesses aimed at increasing awareness on the importance of IP protection, IP management, and IP strategies for businesses, successfully held in each of the participating country. One set of guidelines on awareness raising in the selected areas, tailored for representatives of the national authorities, including but not limited to IP offices, on ways in which IP management and enforcement can be used to enhance the creative industries, policy strategies to increase accessibility of IP system usage, and improved management of IP systems, successfully developed and disseminated.

4. Established national and regional networks, amongst stakeholders in the creative industries.	 An established system for providing relevant updated information on the selected creative industries, which is used by the stakeholders. Two successful events connecting members of the networks held in each participating country. National and, where appropriate, regional hubs established for creative businesses.
Project Objective	Indicators of Success in Achieving Project Objective (Outcome Indicators)
1. Build the capacity of local businesses involved in creative industries and of national authorities, including IP offices, to use and leverage IP tools and strategies to add value that differentiates their products and services, and to diversify their economic activities.	 80% of participants in the capacity building activities indicated that the IP tools, strategies and skills acquired are relevant. At least 70% of participants reported a better understanding of the importance of IP for the creative industries. Number of local businesses in the creative industries that indicate they would use the IP tools developed during the project, to add value to their product or service.
2. Establish networks between local stakeholders of the creative industry sector, in order to facilitate transfer of information, cooperation, and growth.	 Number of intra- and inter-industry networks created in during the implementation of the project. Volume of information exchanged in the network(s).

4. IMPLEMENTATION TIMELINE³

Activity⁴		Quarters											
		Year 1			Year 2				Year 3				
	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	
Pre-implementation activities ⁵ :	Х	х											
establishment of a project team. Carry out a Scoping Study on the specific situation in the selected creative industries in the beneficiary countries to identify strategic issues that need to be addressed in the implementation of the project in alignment with national policies		X	Х										
Present the results of the study to the stakeholders to ensure targeted impact of the project			Х	Х									
Develop generic materials, tailored for governments on ways in which IP management and enforcement can be used to enhance the creative industries, on policy strategies to increase accessibility of IP system and its usage, as well as improved management of IP systems				х	Х	Х							
Develop materials, tailored for the selected creative industry stakeholders. The materials should cover how to identify, manage and enforce IP rights as business assets in the particular sectors				х	Х	Х							
Deliver capacity building for institutions, creators and other stakeholders in the selected creative industries on digital aspects of IP management, incl. marketing, enforcement and other areas related to digitization combining innovative approaches for delivery of content and traditional forms, as appropriate						х	Х	Х	х				

³ The current timeline is prepared based on the assumption that there will be no further restrictions related to public health. This timeline however, might be revised in the future to comply with any restrictions related to the COVID-19 pandemic.

⁴ Implementation will start once all beneficiary countries of the projects have been selected and focal points have been appointed in each of them.
⁵ The effective implementation of project is foreseen to start in January 2022, while the pre-implementation activities would start at the end of 2021.

		Quarters Year 1 Year 2 Year 3										
Activities						4 th	1535			1 4th		
	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th
Develop mentorship programs with mentors in the selected areas willing to support the upgrade of the professional levels in the participating companies, organizations and institutions						х	x	х	х	х	x	х
Create an information channel for the dissemination of knowledge concerning collaboration opportunities, IP protection, and IP management						х	х	х	х	х		
Hold national events in each of the participating countries for businesses in the creative industries aimed at increasing awareness on the importance of IP protection, IP management, and IP strategies for businesses						X	x	x	х	х	х	
Develop guidelines for awareness raising activities, tailored for representatives of the national authorities, including but not limited to IP offices; on ways in which IP management and enforcement can be used to enhance the creative industries' policy strategies to increase accessibility to, and the use of, the IP system; and improve the overall management of IP systems					x	x	х	x	х			
Launch digital awareness campaigns for creators, managers and users of creative content								х	х	х	х	х
Establish a system for providing relevant updated information on the selected creative industries							x	х	х	х	х	
Hold two networking events connecting members of the networks in each participating country					Х	х	х	х	х	х	х	х
Establish national and, where appropriate, regional hubs for creative businesses								х	х	х	х	х
Evaluation Report												х

5. TOTAL RESOURCES BY OUTPUT⁶

(in Swiss francs)	Y	ear 1	Y	ear 2	Ye		
Project Outputs	Personnel	Non-Personnel	Personnel	Non-Personnel	Personnel	Non-Personnel	Total
Project coordination and implementation support		77,100		80,100		77,100	234,300
Carry out a scoping study on the specific situation in the selected creative industries in the beneficiary countries to identify strategic issues that need to be addressed in the implementation of the project in alignment with national policies		20,000		·			20,000
Present the results of the study to the stakeholders to ensure targeted impact of the project							-
Develop generic materials, tailored for governments on ways in which IP management and enforcement can be used to enhance the creative industries, on policy strategies to increase accessibility of IP system and its usage, as well as improved management of IP systems				67,850			67,850
Develop materials, tailored for the selected creative industry stakeholders. The materials should cover how to identify, manage and enforce IP rights as business assets in the particular sectors				67,850			67,850
Deliver capacity building for institutions, creators and other stakeholders in the selected creative industries on digital aspects of IP management, incl. marketing and other areas related to digitization combining innovative approaches for delivery of content and traditional forms, as appropriate				45,000		45,000	90,000
Develop mentorship programs with mentors in the selected areas willing to support the upgrade of the professional levels in the participating companies, organizations and institutions				20,000			20,000
Create an information channel for the dissemination of knowledge concerning collaboration opportunities, IP protection, and IP management						60,000	60,000
Hold national events in each of the participating countries for businesses in the creative industries aimed at increasing awareness on the importance of IP protection, IP management, and IP strategies for businesses				45,000		45,000	90,000
Develop guidelines for awareness raising activities, tailored for representatives of the national authorities, including but not limited to IP offices; on ways in which IP management and enforcement can be used to enhance the creative industries' policy strategies to increase accessibility to, and the use of, the IP system; and improve the overall management of IP systems				25,000		25,000	50,000
Launch digital awareness campaigns for creators, managers and users of creative content						40,000	40,000
Establish a system for providing relevant updated information on the selected creative industries							-
Hold two networking events connecting members of the networks in each participating country				20,000		20,000	40,000
Establish national and, where appropriate, regional hubs for creative businesses.						45.000	-
Evaluation						15,000	15,000
Total	-	97,100	-	370,800	-	327,100	795,000

⁶ The current budget is prepared based on the assumption that there will be no further restrictions related to the global public health. This budget however, might be revised in the future to comply with any restrictions related to the COVID-19 pandemic. In that case, the budget allocated to capacity building activities and / or travel will be reduced accordingly.

6. NON-PERSONNEL RESOURCES BY COST CATEGORY

(in Swiss francs)	Trave	l, Training and G	irants	Contractual Services						
Activities	Staff Missions	Third-party Travel	Training and related travel grants	Conferences	Publishing	Individual Contractual Services	WIPO Fellowships	Other Contractual Services	Total	
Project Coordination and implementation support							234,300		234,300	
Carry out a scoping study on the specific situation in the selected creative industries in the beneficiary countries to identify strategic issues that need to be addressed in the implementation of the project in alignment with national policies						20,000			20,000	
Present the results of the study to the stakeholders to ensure targeted impact of the project									-	
Develop generic materials, tailored for governments on ways in which IP management and enforcement can be used to enhance the creative industries, on policy strategies to increase accessibility of IP system and its usage, as well as improved management of IP systems					25,000	20,000		22,850	67,850	
Develop materials, tailored for the selected creative industry stakeholders. The materials should cover how to identify, manage and enforce IP rights as business assets in the particular sectors					25,000	20,000		22,850	67,850	
Deliver capacity building for institutions, creators and other stakeholders in the selected creative industries on digital aspects of IP management, incl. marketing and other areas related to digitization combining innovative approaches for delivery of content and traditional forms, as appropriate	40,000	25,000		25,000					90,000	
Develop mentorship programs with mentors in the selected areas willing to support the upgrade of the professional levels in the participating companies, organizations and institutions			10,000					10,000	20,000	
Create an information channel for the dissemination of knowledge concerning collaboration opportunities, IP protection, and IP management						60,000			60,000	
Hold national events in each of the participating countries for businesses in the creative industries aimed at increasing awareness on the importance of IP protection, IP management, and IP strategies for businesses	40,000	25,000		25,000					90,000	
Develop guidelines for awareness raising activities, tailored for representatives of the national authorities, including but not limited to IP offices; on ways in which IP management and enforcement can be used to enhance the creative industries' policy strategies to increase accessibility to, and the use of, the IP system; and improve the overall management of IP systems					15,000	20,000		15,000	50,000	
Launch digital awareness campaigns for creators, managers and users of creative content						20,000		20,000	40,000	
Establish a system for providing relevant updated information on the selected creative industries									-	
Hold two networking events connecting members of the networks in each participating country				40,000					40,000	
Establish national and, where appropriate, regional hubs for creative businesses									-	
Evaluation								15,000	15,000	
Total	80,000	50,000	10,000	90,000	65,000	160,000	234,300	105,700	795,000	

[Annex II follows]

Promoting the Use of Intellectual Property (IP) in Developing Countries in Creative Industries in the Digital Era

	TEMPLATE FOR THE SUBMISSION OF REQUESTS TO PARTICIPATE AS PILOT COUNTRY									
	Selection criteria Brief description									
1.	Expression of interest	Confirmation that the intellectual property bodies of the requesting country are interested in participating in the project.								
2.	Institutions and legal framework	The requesting country should indicate the national body or institution that oversees the work of creative industries, as well as the applicable legislative framework. Links to the institution website and the legal texts should be provided, where possible.								
3.	Existence of a significant number of creative businesses in the selected area	A brief description and assessment of the number of creative businesses existing in the creative areas (the project will look at the audiovisual industry, including film and animation; the publishing industry; the music industry; videogames; mobile applications and fashion) chosen by the requesting country.								
4.	Existence of local associations	Reference to an existing creative industry association, organization or group of creative businesses in the requesting country that could enhance the use of IP tools and strategies.								
5.	Need of support	Brief justification of the actual need to support creative industries in accessing and understanding the IP system.								
6.	Commitment	Confirmation that the requesting country is committed to devote the necessary logistical support and resources for the effective implementation of the project and its sustainability.								
7.	National coordinator	The requesting country should propose a person, indicating the position and the organization, who would act as national coordinator for the duration of the project, acting as the country's institutional representative.								

[End of Annex II and of document]