



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

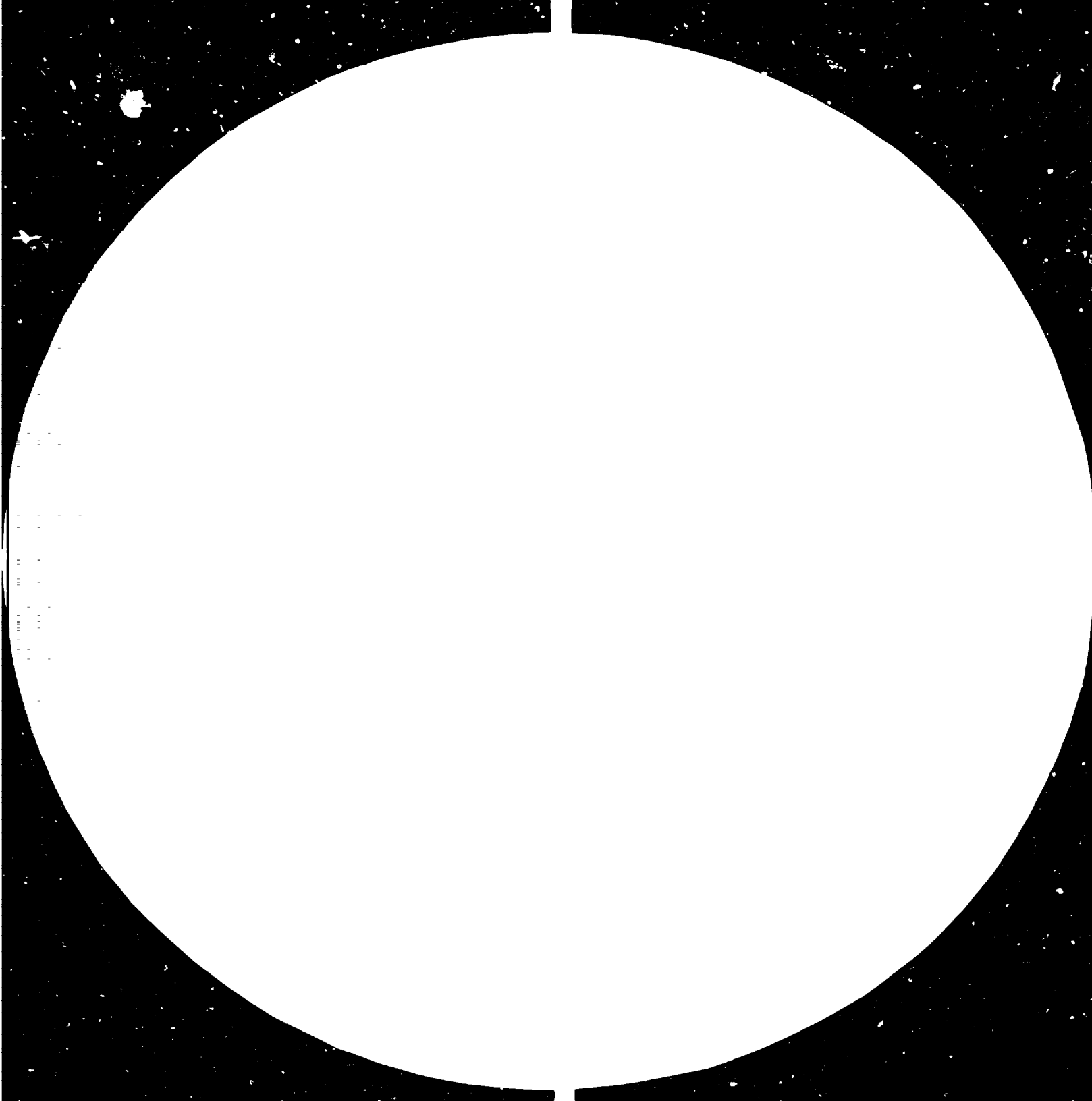
FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org





Resolution Test Chart

Resolution Test Chart

Resolution Test Chart

Resolution Test Chart

Resolution Test Chart

TIES NEWSLETTER

TECHNOLOGICAL INFORMATION EXCHANGE SYSTEM

Issue Number 1

January 1980

12029

Last but not least, the TIES Newsletter will be open to contributions directly by officials of technology transfer agencies, who may avail themselves of the opportunity to present certain specific and important aspects of their work.

It is planned that the TIES Newsletter will be issued six times per year, originally in English. With the further development of its content, scope and readership we may not only increase its size, but also introduce Spanish and French versions. We also hope that the Government and business community involved in the various aspects of technology transfer in developing and industrialized countries will find the TIES Newsletter along with other UNIDO technological publications useful and relevant to their problems.


INTRODUCTION TO THE FIRST ISSUE

As a result of UNIDO's initiative, several developing countries where special regulatory offices were established in the past agreed to co-operate more closely, specifically in the area of exchange of experience and of information regarding the terms and conditions under which technology is being acquired.

This broad agreement, reached in March 1978 at UNIDO headquarters, Vienna, resulted in the establishment of UNIDO's Technological Information Exchange System (TIES) in which, at present, some 20 developing countries participate (Algeria, Argentina, Colombia, Ecuador, India, Iraq, Mexico, Malaysia, Nigeria, Peru, Philippines, Portugal, Arab Republic of Egypt, Republic of South Korea, Spain, Venezuela) with Cameroon, Guatemala, China and Yugoslavia at present studying access to the system.

TIES provides not only an opportunity to exchange important information on acquired technology by individual countries on a regular basis but can also serve as a focal point for increased bilateral and multilateral co-operation among technology transfer offices in the developing countries.

With this in mind and following the recommendations of the Third Meeting of Heads of Technology Transfer Offices held in October 1979 in Lisbon, the UNIDO Secretariat launches the TIES Newsletter which will attempt to provide useful information about the activities of those agencies, changes in legislation affecting technology transfer, development and acquisition of new technologies of interest to developing countries, current trends in world flow of technology as well as relevant activities of UNIDO and other organizations. This Newsletter forms a part of the work of UNIDO's Industrial and Technological Information Bank (INTIB).



ABD-EL RAHMAN KHANE
Executive Director

TIES NEWSLETTER ORGANISATION

In principle the TIES Newsletter will consist of six major sections.

- . Technology Transfer REGISTRY ACTIVITIES
- . RECENT LEGISLATION affecting technology flow and foreign investment
- . Technology Transfer REGISTRY NEWS
- . UNIDO ACTIVITIES
- . TECHNOLOGY ACQUISITION AND TECHNOLOGICAL ADVISORY SERVICES (TAS)
- . RECENT PUBLICATIONS relating to Development and Transfer of Technology

While all sections may not appear in every issue Registry personnel are strongly urged to contribute articles or news items for the various categories, so that we may build up a file of articles. Such contributions would most appropriately fall under REGISTRY ACTIVITIES, RECENT LEGISLATION, REGISTRY NEWS, (major personnel changes, policy shifts, etc.) and RECENT PUBLICATIONS to which you wish to draw attention.

Registry activities

1979 Activities of the Comité de Regalías of Colombia

* The Comité de Regalías, which is the committee having the responsibility for final approval of technology contracts in Colombia, was founded in 1967. One of its major aims has been to increase Colombia's negotiation capacity with regard to the acquisition of technology. Indeed it has achieved a large measure of success in this task with more appropriate technologies being acquired at lower prices and under better conditions. Restrictive clauses have largely been eliminated from contracts. Through improved negotiation practices it has been possible to reduce the average royalty fees paid to some 3-4% of net sales. Minimum royalty clauses have been eliminated from contracts and it is now mandatory that royalties be calculated on the basis of actual sales activity.

* Most of the local recipient enterprises lack information on the technology market and alternative technologies. In order to fill this gap the Comité de Regalías, in co-operation with local enterprises and institutions such as COLCIENCIAS and ITI (Institute for Technology Research), intends to develop an action programme for seeking alternative technologies at the national and international level. Thus, better use could be made of the knowledge and experience available in the country and national purchasing power could be substantially increased.

* In March 1979 under the auspices of FEDEMÉTAL, COLCIENCIAS and OAS (Organisation of American States) a course on negotiating technology contracts was organised. Persons from the private and public sector as well as from the university community participated. The course was a simulation exercise where participants could see, from the "seller's" and "buyer's" points of view, the difficulties arising in negotiating contracts involving trademarks, patents and technical assistance. This course allowed the Comité de Regalías to evaluate the substance and practical use made of the information which is requested by the Comité for its evaluation of contracts. The Secretaría Técnica (the technical department responsible for contract analysis) became aware of the necessity to revise, in co-operation with COLCIENCIAS, the methods of analysing these types of contracts in order to bring them up to the level of experience gained in Colombia and other countries of the Andean region.

* The above is a translated summary of articles which appeared in the January and April 1979 editions of "TECNE" a bulletin published jointly by the Comité de Regalías and COLCIENCIAS in Colombia.

1979 ACTIVITIES OF PORTUGAL'S FOREIGN INVESTMENT INSTITUTE (FII)

* The first meeting of foreign investors from the South and Atlantic Islands was held in February 1979 and organized by the FII and the Banco Pinto and Sotto Mayor. Some 500 participants included managers of enterprises with foreign capital, commercial attaches of embassies, chambers of commerce, official unions and bodies and representatives of foreign banks. The major subjects covered were Integration of Portugal in the EEC and Foreign Investment, Monetary and Exchange Policy, Labour Relations in Portugal, mechanisms of banking support and Experience of the Foreign Investor.

* A Bilateral Agreement on Investment Protection and Promotion between the Federal Republic of Germany and Portugal was signed on 15 March 1979. The agreement aims at promotion and protection of investments carried out by citizens of either country in the territory of the other and applies to both direct foreign investment operations and all investments of an economic nature.

* The Portuguese Foreign Investment Code establishes 2 separate regimes:

- The general regime is applied to the great majority of projects. The administrative decision on investment projects under this regime belongs to the FII (subject, however, to the higher approval of the Minister of Finance and Planning should they exceed 100 million escudos). Under the general regime the foreign investor may benefit from the same incentives as those granted by Portuguese Law to national companies.

- The contractual regime covers those projects which are characterized by their size or by long-term profitability. These projects must be approved by the Council of Ministers. Under the contractual regime companies with foreign capital are entitled to additional incentives besides those granted by the Portuguese Law to national companies, according to the nature and importance of the project.

* A general agreement between the Portuguese State, the Institute of State Participation and Renault was signed in May 1979 for the purpose of setting up an automobile plant in Portugal. This venture involves an investment of around 20 billion escudos to finance a plant for the manufacture of engines and gearboxes, an assembly line, a plant for mechanical components and the conversion of already existing facilities.

* In October 1979, the Investment Institute hosted in conjunction with UNIDO the Third Meeting of Heads of Technology Transfer Registries in Lisbon. The meeting, which was held in two parts, was attended by some 20

Registry personnel and 20 members of the International Licensing Executives Society (LES).

Discussions were held with LES on the Transferor -Transferee Relationship and Regulation of Technology Transfer in Industrialized and Developing Countries. During the second part of the meeting members of the TIES group discussed, among other items, ways of furthering cooperation amongst the Registries and expansion and further development of the TIES system. A comprehensive study of contracts in the Pharmaceutical Industry in Portugal was also presented by the Foreign Investment Institute.

- The above are excerpted from various 1979 issues of "Progress Report" a bulletin published by the Foreign Investment Institute of Portugal.

Recent legislation

NIGERIA

Decree establishing the National Office of Industrial Property dated September 6, 1979.

THE GOVERNMENT hereby decrees as follows:-

1.-(1) There is hereby established a body to be known as the National Office of Industrial Property (hereinafter in this Decree referred to as "the National Office") which shall have the functions conferred on it under or pursuant to this Decree.

(2) The National Office shall be a body corporate with perpetual succession and a common seal and may sue or be sued in its corporate name.

2.-(1) There shall be as the governing body of the National Office a council to be known as the Governing Council of the National Office of Industrial Property (hereinafter in this Decree referred to as "the Council") which shall be responsible for the formulation of policy for the National Office and for the discharge of the other functions conferred on it by this Decree.

(2) The Council shall consist of a Chairman and the following other members, that is:

(a) one representative of each of the following Federal Ministries-

- (i) Economic Development
- (ii) Finance
- (iii) Internal Affairs
- (iv) Justice
- (v) Trade, and
- (vi) Works and Housing;

(b) One representative of the National Science and Technology Development Agency;

(c) One representative of the universities in Nigeria to be appointed by the Commissioner after consultation with National Committee of Vice-Chancellors;

(d) One representative of polytechnics and colleges of technology in Nigeria to be appointed by the Commissioner after consultation with the rectors and principals thereof; and

(e) The Director.

(3) The Chairman shall be the Permanent Secretary of the Federal Ministry of Industries or such other officer of that Ministry not below the rank of Principal Secretary as the Permanent Secretary may designate in that behalf.

(4) The supplementary provisions in the Schedule to this Decree shall have effect with respect to the proceedings of the Council and the other matters therein mentioned.

3. The Commissioner may give to the Council directions of a general character or relating generally to particular matters but not to any individual or case with regard to the exercise by the Council or the National Office of its functions under this Decree and it shall be the duty of the Council to comply with the directions or cause them to be complied with.

4. Subject to section 2(1) of this Decree, the National Office shall carry out the following functions-

(a) The encouragement of a more efficient process for the identification and selection of foreign technology;

(b) The development of the negotiation skills of Nigerians with a view to ensuring the acquirement of the best contractual terms and conditions by Nigerian parties entering into any contract or agreement for the transfer of foreign technology;

(c) The provision of a more efficient process for the adaption of imported technology;

(d) The registration of all contracts or agreements having effect in Nigeria on the date of the coming into force of this Decree, and of all contracts and agreements hereafter entered into, for the transfer of foreign technology to Nigerian parties; and without prejudice to the generality of the foregoing, every such contract or agreement shall be registrable if its purpose or intent is, in the opinion of the National Office, wholly or partially for or in connection with any of the following purposes, that is to say-

- (i) the use of trade-marks,
- (ii) the rights to use patented inventions,

(iii) the supply of technical expertise in the form of the preparation of plans, diagrams, operating manuals or any other form of technical assistance of any description whatsoever,

(iv) the supply of basic or detailed engineering,

(v) the supply of machinery and plant, and

(vi) the provision of operating staff or managerial assistance and the training of personnel; and

(e) The monitoring, on a continuous basis, of the execution of any contract or agreement registered pursuant to this Decree.

Registration of Contracts, etc.

5.-(1) Every contract or agreement which on the date of the coming into force of this Decree had been entered into by any person in Nigeria and which still has effect on the commencement of this relation to any matter referred to in section 4 (d) of this Decree shall be registered with the National Office in the prescribed manner not later than six months after the commencement of this Decree.

(2) As from the commencement of this Decree, every contract or agreement entered into by any person in Nigeria with another person outside Nigeria in relation to any matter referred to in section 4(d) of this Decree shall be registered with the National Office in the prescribed manner not later than 60 days from the execution or conclusion thereof.

(3) Every application for the registration of a contract or agreement under this section shall be addressed to the Director and shall be accompanied by such number of certified true copies of such contract and agreement and by all other related documents including annexures thereto and such other documents and information as may be specified in any particular case by the Director.

6.-(1) Where the Director is satisfied that none of the specifications mentioned in subsection (2) of this section has been contravened he shall issue the applicant therefor a certificate in such form as may be prescribed.

(2) The Director shall not register any contract or agreement where he is satisfied that it falls within any of the following specifications, that is to say-

(a) Where its purpose is the transfer of technology freely available in Nigeria;

(b) Where the price or other valuable consideration therefore is not commensurate with the technology acquired or to be acquired;

(c) Where provisions are included therein which permit the supplier to regulate or intervene directly or indirectly in the

administration of any undertaking belonging to the transferee of the technology and are, in his opinion, unnecessary for the due implementation or execution of such contract or agreement;

(d) Where there is an onerous or gratuitous obligation on the transferee of the technology to assign to the transferor or any other person designated by the transferor patents, trademarks technical information, innovations or improvements obtained by such transferee with no assistance from the transferor or such person;

(e) Where limitations are imposed on technological research or development by the transferee;

(f) Where there is an obligation therein to acquire equipment, tools, parts or raw materials exclusively from the transferor or any other person or given source;

(g) Where it is provided that the exportation of the transferee's products or services is prohibited or unreasonably restricted or where there is an obligation on such transferee to sell the products manufactured by it exclusively to the supplier of the technology concerned or any other person or source designated by the transferor;

(h) Where the use by the transferee of complementary technologies is prohibited;

(i) Where the transferee is required to use permanently or for any unconscionable period personnel designated by the supplier of the technology;

(j) Where the volume of production is limited for sale and where re-sale prices are in contravention of the Price Control Decree 1977 or any other enactment relating to prices, imposed for domestic consumption or for exportation;

(k) Where the transferee is required to appoint the supplier of technology as the exclusive sales agent or representative in Nigeria or elsewhere;

(l) Where the contract or agreement is expressed to exceed a period of 10 years or other unreasonable term where this is less than 10 years;

(m) Where the consent of the transferor is required before any modification to products, processes or plant can be effected by the transferee;

(n) Where an obligation is imposed on the transferee to introduce unnecessary design changes;

(o) Where the transferor, by means of quality controls or prescription of standards, seeks to impose unnecessary and onerous obligations on the transferee;

(p) Where there is provision for payment in full by the transferee for transferred technology which remains unexploited by him;

(q) Where there is a requirement for the acceptance by the transferee of additional technology or other matter, such as consultancy services, international sub-contracting, turn-key projects and similar package arrangements, not required by the transferee for or in connection with the principal purpose for which technology is to be or has been acquired by him;

(r) Where the transferee is obliged to submit to foreign jurisdiction in any controversy arising for decision concerning the interpretation or enforcement in Nigeria of any such contract or agreement or any provisions thereof.

(3) Notwithstanding the foregoing provisions of this section, in any case where the Council is satisfied that it would be in the national interest so to do, it may direct the Director to issue a certificate to an applicant notwithstanding any divergence between the terms and conditions of a contract or agreement and the specifications laid down in subsection (2) above.

(4) Where the parties, on the direction or advice of the Director, subsequent to a refusal by the Director, to issue a certificate of registration, make required adjustments in respect of any contract or agreement or terms and conditions thereof, the Director may issue the requisite certificate or registration.

7. For the purposes of the Exchange Control Act 1962 and subject to section 8 of this Decree, no payment shall be made in Nigeria to the credit of any person outside Nigeria by or on the authority of the Federal Ministry of Finance, any licensed bank in Nigeria in respect of any payments due under a contract or agreement mentioned in section 4(d) of this Decree, unless a certificate of registration issued under this Decree is presented by the party or parties concerned together with a copy of the contract or agreement certified by the National Office in that behalf.

8.--(1) Where the Director is satisfied that any contract or agreement has, subsequent to the registration thereof, been amended or modified in contravention of the provisions of this Decree, he shall give notice in writing to the parties concerned of his intention to cancel the certificate of registration and the provisions of section 9 of this Decree relating to appeals shall apply to any such notice as if it were a notice to reject an application for registration.

(2) Where no appeal is lodged as provided under subsection (1) above, the Director shall with the approval of the Council cancel the certificate of the party concerned.

9.--(1) Any person aggrieved by the proposal of the Director to reject an application for registration may, within 60 days after the date of notice of intention to reject the application is given to him, lodge with the Secretary a notice of appeal to the Council,

(2) The notice of appeal shall be in writing setting out the grounds on which it is made and the Secretary shall lay it before the meeting of the Council next holding after the notice of appeal was lodged with him.

(3) Where an appeal is allowed the Council shall cause the Director to issue a certificate of registration in that behalf and where an appeal is disallowed the aggrieved party shall, subject to the applicable rules of court, have a right of further appeal to the Federal Revenue Court.

(4) Appeals shall lie from decisions of the Federal Revenue Court under this section in the same manner and to the same extent as appeals from the decisions of the Court in civil proceedings given by that Court sitting at first instance.

Provisions as to Staff and Finances

10.--(1) There shall be an officer of the National Office to be known as the Director who shall be appointed by the Federal Executive Council on the recommendation of the Commissioner.

(2) The Director shall be the chief executive officer of the National Office and shall hold office on such terms and conditions as may be specified in his letter of appointment or on such other terms and conditions as may be determined from time to time by the Federal Executive Council and generally, by the Council in relation to the other staff of the National Office.

(3) There shall be appointed by the Council, a Secretary who shall carry out such duties as the Council or the Director may specify or as may be imposed on him by this Decree.

(4) There may be appointed from time to time by the Council such other staff as may be required for the purpose of the efficient performance of the functions conferred on the National Office under or pursuant to this Decree.

Registry news

ECUADOR

With the change of government, Dr. Carlos Andrade from the Ministerio de Industria, Comercio and Integración returned to the private sector. Mr. Milton Cevallos Rodriguez has taken up Dr. Andrade's duties.

UNIDO activities

• Third Meeting of Heads of Technology Transfer Registries

- As mentioned in the Registry Activities section, the Third Meeting of Heads of Technology Transfer Registries took place in Lisbon, Portugal, from 8-12 October 1979. The final report of the meeting is now available to the TIES participants.

• Negotiations Workshop

- In cooperation with the Department of Planning, Ministry of Industry and Technology and The Foreign Investment Institute of Portugal, UNIDO organized in Lisbon from November 5-8, 1979, a National Workshop on Technology Transfer Negotiations. The workshop was attended by more than 65 professionals from the business, governments and science communities. The workshop was the first of a series aimed at providing executives with practical guidelines and tools for negotiation of various technology transfer agreements such as licencing and trademark, joint ventures, foreign investments, technical assistance and engineering contracts. In addition to lectures provided by Messrs. Janiszewski, Loth and Stirniman of UNIDO and Mr. Payne, a UNIDO consultant, practical licencing games were played. Due to the large number of applications from the Lisbon area, the programme will be repeated later this year.

Tentative Meetings of Interest organized by UNIDO

1. Third General Conference of UNIDO, New Delhi, India, 21 January - 8 February 1980.

2. National workshop on technology transfer, 20-24 March, 1980, Dominican Republic.

3. National workshop on Technology Transfer Negotiation, Oporto, Portugal, 14-18 April, 1980.

4. Workshop on Technology Transfer - Experience of developing countries in acquisition of technology from Socialist Countries, Warsaw, Poland, 5-8 May, 1980.

5. Meeting of Heads of Technology Transfer Registries, Buenos Aires, Argentina, 15-19 September, 1980.

6. Workshop on technological cooperation and promotion of transfer of technology between advanced and developing countries in small industry, Seoul, Rep. of Korea. (Dates not yet fixed)

Technology acquisition and TAS

1. The Nigerian National Petroleum Corporation announced that it has chosen the process licensors for its petrochemical projects at Warri and Kaduna. These will be UOP (USA) for benzene and linear alkyl benzene; Dart Industries (USA) for polypropylene and Phillips (USA) for Carbon Black. Total cost of the projects is estimated at US\$ 250 million (European Chemical Items, July 16, 1979).

2. Degussa (Germany) has licensed Kahira (Egypt) technology for the manufacture of "Homburg" pharmaceutical preparations (European Chemical Reporter, May 21, 1979).

3. Shin-Etsu Chemical Co. (Japan) licensed to Promociones Industriales Mexicanas Primex (Mexico) technology to manufacture PVC. In a triangle arrangement between Primex, Shin-Etsu and Tenneco (USA), the project will combine the Shin-Etsu technology with Tenneco PVC operations experience to build a plant in Tampico, Mexico, with an initial capacity of 50,000 t/y (Chemical Marketing Reporter, 7/30/79).

REQUEST FOR NEWSLETTER

If you wish to continue receiving the TIES Newsletter please complete the form below and return to:

UNIDO
TIES Newsletter
Development and Transfer
of Technology Section
P.O. box 300
A-1400 Vienna, Austria

Please type or print in block letters

NAME

TITLE

ORGANIZATION

ADDRESS

CITY

COUNTRY

