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TIES PROGRESS REPORT *

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I. Introduction

This document will report on the progress made by TIES in the exchange of information since the last meeting of Heads of Technology Transfer Registries in October 1984 in Beijing, China. The report will briefly describe the current status of TIES information exchange at the various levels (TIES I, JIA, IIB, Service), ad-hoc information exchange, TIES Newsletter and Country profiles. Furthermore it will report on the proposal for a new TIES Coding Form and on the computer information processing changes envisaged at UNIDO Headquarters.

II. Current Status of Information Exchange

A. TIES I

TIES I information, covering aggregate data on such aspects as royalty rates level of foreign holding, supplier country etc. by Industrial Sector, has been exchanged over the period January - June and July - December by the following countries.

	January - June 1984	July - December 1984
Argentina	153	206
Philippines	42	28
Portugal	91	84
Poland	0	0
Peru		104 1/
Egypt		39 2/

1/ Covering 1984

2/ Covering 1984 and agreements associated with foreign investment only

For the preparation of the TIES annual report on technology transfer, aggregate data (however not in TIES I format) was received from Mexico, China and Spain. In this context it must be noted that China submitted detailed TIES I tables over the period 1983, indicating that because of a delay in information processing 1984 TIES I information will be forthcoming. Furthermore Venezuela has prepared TIES I tables over the period of 1984 which have not yet been received at UNIDO Headquarters.

It can be observed that some ten countries are participating at the aggregate level, which is with respect to the previous reporting period some improvements.

B. TIES II

TIES II data, covering information from registered contracts has been exchanged over the period January - June and July - December 1984 of the following countries.

<u>TIES II A</u>	January - June 1984	July - December 1984
Poland	0	0
Philippines	153	206
Portugal	91	84
 <u>TIES II B</u>		
Colombia	47	
Egypt		1/ 39
Peru		104 ^{2/}

1/ Covering 1984, TT contracts with DFI only

2/ Covering 1984

It must be noted that Venezuela has indicated that the 1984 TIES II B information has been sent, which has not yet been received. With respect to the commitment of TIES II members it can be observed that no information has been received from Ecuador, Republic of Korea and Nigeria if compared with the previous reporting period. It should be observed that Malaysia and Philippines only participate at TIES I level and that the compatibility problems of computerized information systems of Spain can only be resolved when introducing new TIES format.

C. Service Agreements

No information has been exchanged on service agreements.

III. Special Requests

Special requests have been received from

- | | | | |
|----|----------|--|---|
| 1. | Nigeria | hotel management contracts | advice has been given on basis of UNIDO experience and information from countries |
| 2. | Malaysia | royalty rates manufacturing disc brace | advice has been given on basis of UNIDO experience and information from countries |
| 3. | Nigeria | level of payment on technical assistance/service agreement in steel industry | advice has been given on basis of UNIDO experience and information from countries |
| 4. | Malaysia | royalty rate on license/technical assistance on packaging material | advice has been given on basis of UNIDO experience and information from countries |

- | | | | |
|----|-----------|---|--|
| 5. | Egypt | engineering,
instructors fees
knowhow agreement
manufacturing high
boiler and pressure
vessels | advice has been given on
basis of UNIDO experience
and information from
countries |
| 6. | Malaysia | evaluation/approval
criteria on sales
commission agreements | advice has been given on
limited UNIDO experience |
| 7. | Venezuela | Technology suppliers
for mobile cleaning
of high voltage
insulators. | request has been
transferred to INTIR |

The response of the TIES members has been reasonable and assistance has been provided. It must be observed that two requests are related to engineering fees, which will be discussed in a separate paper.

IV. Country Profiles 1984 - 1985

Updated country profiles have been received from China, Colombia, Ethiopia, India, Malaysia, Nigeria, Peru, Philippines, Portugal, Republic of Korea, Argentina, Senegal and Poland. These country profiles have been published in the TIES Newsletter and have also been used as an input to the 1984 annual on trends in technology transfer.

V. New TIES Coding Form and Information Exchange Rules

With respect to the desire to simplify the TIES information exchange procedures and to limit the exchange format to one, a merging and modification of the TIES license and TIES service agreement was proposed. A draft was prepared and discussed. It was then agreed that comments on the proposed new format could be forwarded by 1 March 1985 and that consultation with regional organizations involved with information exchange on technology transfer agreements, SAIT in particular, should be held.

Comments have been received from the SAIT Secretariat and incorporated in the new TIES Coding Form (Annex I) and new TIES information exchange rules (Annex II). The meeting is expected to agree on a final format as to start with this format for the period January - June 1986.

VI. Computer Processing Facilities at UNIDO Headquarters

If from the 1st of January 1986 a new TIES Coding Form will be introduced the present TIES software has to be adapted to this new input format and new information exchange requirements. This software adaptation could be completed before the 1st of July 1986. In order to have quick access to the TIES data base, to be able to organize a bibliographic search and to maintain the possibility of information exchange on tapes, floppies and hard copy, the present batch dual system (TIES license and TIES service) has to be converted to one on-line system on the mainframe accessible through intelligent terminal with possibility of interaction with PC system for local loading/unloading of information. As such TIES data input would be either performed on tape through the main frame or on floppy disc through CORIS/PC, while manual input would be possible through PC or directly through mainframe facilities.



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ANNEX 1

TIES CODING FORM

I IDENTIFICATION

_____ ID KEY

_____ RECIPIENT COUNTRY CODE

RECIPIENT TYPE

STATE OR GOVERNMENT PRIVATE MIXED

CO-OPERATIVES _____ COUNTRY OF FOREIGN HOLDING

II RECIPIENT

_____ COUNTRY CODE

_____ INDUSTRIAL CODE

_____ FOREIGN HOLDING

_____ RECIPIENT NAME

_____ ADDRESS LINE 1

_____ ADDRESS LINE 2

III SUPPLIER

_____ SUPPLIER NAME

_____ ADDRESS LINE 1

_____ ADDRESS LINE 2

_____ UNCTC-SUPPLIER COMPANY CODE

_____ SUPPLIER COUNTRY CODE

IV CONTRACT (general)

OBJECT _____

_____ INDUSTRY CODE (ISIC)

_____ PRODUCT CODE 1

_____ PRODUCT CODE 2

Contract class

LICENCE TA MANAGEMENT SOFTWARE JOINT VENTURE TURN KEY OTHER

Associated contracts

EQUIPMENT SUPPLY LOANS SALES

COMMENTS

_____ PROCESS

_____ PROCESS

CONTRACT DATE OF APPROVAL _____
 CONTRACT DURATION _____

COLLABORATION TYPE

- | | | | | |
|---|--|---|---|---|
| <input type="checkbox"/> LEASING FRANCHISING | <input type="checkbox"/> KNOW-HOW | <input type="checkbox"/> TRADE MARK | <input type="checkbox"/> PATENT | <input type="checkbox"/> BASIC ENGINEERING |
| <input type="checkbox"/> DETAILED ENGINEERING | <input type="checkbox"/> MANAGEMENT OF CONSTRUCTION SET-UP | <input type="checkbox"/> START-UP SUPERVISION | <input type="checkbox"/> PRODUCTION SUPERVISION | <input type="checkbox"/> EQUIPMENT REPAIR AND MAINTENANCE |
| <input type="checkbox"/> PREINVESTMENT CONSULTING | <input type="checkbox"/> TURN KEY | <input type="checkbox"/> CONSTRUCTION OR SET-UP | <input type="checkbox"/> ADMINISTRATIVE SUPERVISION | <input type="checkbox"/> MARKETING |
| <input type="checkbox"/> TRAINING | <input type="checkbox"/> TRAINING HOME | <input type="checkbox"/> TRAINING ABROAD | <input type="checkbox"/> QUALITY CONTROL | <input type="checkbox"/> OTHERS |

V CONTRACT TERMS

- ROYALTY
- | | | | | |
|--|--|--|---|---|
| <input type="checkbox"/> ROYALTY % A (Net sales) | <input type="checkbox"/> ROYALTY % B (Net sales) | <input type="checkbox"/> ROYALTY B LEVEL | <input type="checkbox"/> ROYALTY (Others) | <input type="checkbox"/> DESCRIPTION ROYALTY BASE (if not net sale) |
|--|--|--|---|---|

COMMENTS _____

- LUMP SUM
- | | | |
|---|--|--|
| <input type="checkbox"/> LUMP SUM PAYMENT | <input type="checkbox"/> EXCHANGE RATE | <input type="checkbox"/> CURRENCY CODE |
|---|--|--|

COMMENTS _____

REIMBURSABLE FEES

	MONTH	DAY	HOUR	EXCHANGE RATE	FEE
<input type="checkbox"/> PROJECT MANAGER	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> SENIOR PROFESSIONAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> PROFESSIONAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> JUNIOR PROFESSIONAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> SENIOR TECHNICAL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> TECHNICIAN	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMMENTS _____

PERSONNEL EXPENSES COVERED BY RECIPIENT

- TRAVEL ACCOMMODATION PAID LEAVE FAMILY TRAVEL/ EXPENSES INSURANCE

GUARANTEES	PENALTIES	DESCRIPTION OF PENALTY
<input type="checkbox"/> PROCESS PERFORMANCE	<input type="checkbox"/> PROCESS PERFORMANCE	_____
<input type="checkbox"/> EQUIPMENT PERFORMANCE	<input type="checkbox"/> EQUIPMENT PERFORMANCE	_____
<input type="checkbox"/> TIME	<input type="checkbox"/> TIME	_____
<input type="checkbox"/> PATENT VALIDITY	<input type="checkbox"/> PATENT VALIDITY	_____

ANNUAL APPROVED PAYMENTS _____ TOTAL APPROVED PAYMENTS _____

ANNEX II

TIES INFORMATION EXCHANGE RULES

1. TIES participants are those institutions which exchange information on technology transfer agreements on a confidential, reciprocal, equal and mutual beneficial basis.
2. Each participant will cover the expenditure of processing the information to be exchanged to the required TIES format and will cover the expenditure of forwarding this information to UNIDO.
3. UNIDO will cover the expenditure of processing the information received from the TIES members Institutions and provide the members with a regular update of the database.
4. All TIES participants participate at TIES I level, which is information on the number of contracts by ISIC industry code (four digits) and by duration, type of payment, level of foreign holding, level of royalty, expected payments over duration of contract, yearly payments, collaboration type, supplier country.
5. All TIES participants participate at TIES II level. There are three possible levels of participation namely TIES IIM, TIES II A and TIES II B.

5.1 TIES II M

A periodical exchange of minimum non-financial data on a contract, indicating ID key - recipient country (code), supplier country, supplier name, SITC product code, ISIC industry code, object of the agreement.

Example:

TIES DATA EXCHANGE LEVEL - M PERIOD : 85-1
ID Key : 000010
Recipient country code : POL
Supplier country code : GFR
Supplier company name : NIXDORF COMPUTER AG.

Industry code (ISIC) : 3825
Product code (SITC) : 752.5
Object : licence for optical character reader with
software for computer 1-1

5.3 TIES II B

The periodic exchange of non-financial data and detailed information on the financial terms of the contract. This information indicates addition to TIES II A, on contract terms the following: royalty rates, royalty base, lumpsum, level reimbursable fees, currency codes, exchange rates, personal expenses covered by the recipient, annual approved payments, total approved payment.

Example:

TIES DATA EXCHANGE LEVEL -B PERIOD : 80-2
 ID Key : 000001
 R E C I P I E N T
 Country code : POL Industrial code : 3825
 Foreign holding : 0 % Country of foreign holding :
 Company type : state or government
 Name : INSTALMASZ P.F.
 Address : STAWKI STREET NO.10 GDANSK
 S U P P L I E R
 Name : INTERNATIONAL COMPUTERS LTD
 Address : ICL HOUSE,PUTNEY DUBLIN SW15 1SW
 Country code : IEE
 UNCTC code : ic10088
 C O N T R A C T
 Object : licence for air filters to computer disc drives manufacturing
 Industry code (ISIC) : 3825
 Product code (SITC) : 759.9 ;
 Contract class : licence
 Associated contracts : loans
 Process :
 Contract date of approval : 8409 Contract duration : 05
 Collaboration type : know-how
 trade mark
 patent
 preinvestment consulting
 training
 C O N T R A C T T E R M S
 Royalty A % - 3.3
 Royalty B % - 0.0 Royalty B level - 0
 Description royalty base :
 Reimbursable fees

senior professional	month	Fee	210
junior professional	month	Fee	150
technician	month	Fee	100

 Currency code : USA
 Exchange rate to US\$: .0094
 Comments :
 Personnel expenses covered by recipient : accommodation
 Guarantees :

process performance	x	Penalties :
equipment	x	process performance
time	x	equipment
patent validity	x	time
		patent validity

 Annual approved payments : 6280
 Total approved payments : 51400

6. All information at TIES I, IIM, IIA, IIB shall be exchanged on a half yearly basis (January - June and July - December)
7. An institute becomes a TIES member when it officially has indicated to the director of the Division of Industrial Studies that it so wishes. An Institute has access to the TIES data base however only when it has submitted to UNIDO for processing and subsequencial exchange a set of information covering a period of six months.
8. UNIDO will use the TIES database only when authorized by the TIES members for the use of studies or advisory services.
9. All TIES member institutions will forward to UNIDO its annual report. An updated country profile and other relevant information or studies to be exchanged through publication in the TIES Newsletter or the annual TIES report on trends in technology transfer.