

# GIPC

# Registration of Technology Transfer Agreements

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## Background

The Ghana Investment Promotion Centre (GIPC) is the agency of the Government Ghana established under the GIPC, 2013 (Act 865) responsible for the encouragement and promotion of investments into Ghana. As part of its functions the GIPC is mandated in accordance with Section 4(f) of Act 865 to register and keep records of all Technology Transfer Agreements in Ghana.

Section 37 of Act 865 provides that every technology transfer agreement shall be registered with the GIPC and that on receipt of a technology transfer agreement the GIPC shall:

- a** Review the Technology Transfer Agreement
- b** Upon registration of the Technology Transfer Agreement, monitor and ensure compliance with the terms and conditions of the Agreement.

Two legislations generally apply to the registration of technology transfer agreements in Ghana-the Ghana Investment Promotion Centre Act, 2013 (Act 865) and the Technology Transfer Regulations, 1992 (L.I. 1547)

**The requirement to register Technology Transfer Agreements (as defined below) is applicable to all companies/institutions in Ghana irrespective of their sector of operation.**

## What is a Technology Transfer Agreement?

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Technology Transfer Agreements are Agreements between a company in Ghana (Transferee) and a company outside Ghana (Transferor) for the provision of services (not goods) by the Transferor to the Transferee for a duration of not less than 18 months .

The Transferee is obliged to pay for these services by transferring fees to the Transferor. The services fall within these parameters:

**a Industrial Property Rights** – These involve the assignment, sale and licensing of all forms of industrial property e.g. patents, trademarks, trade names.

**b Technical Services & Know - How Services** – These involve the provision of technical expertise e.g. technical advisory services (such as HR, Audit, Legal, ICT), feasibility studies, plans, diagrams models, instructions or guides.

**c Management Services** - This involves the provision of managerial personnel (by the Transferor to the Transferee) to manage the Transferee company.

## What **fees** are payable by the Transferee to the Transferor?

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GIPC legislation sets out the following thresholds of fees payable under Technology Transfer Agreements

Service	Allowable Charges
Industrial Property Services	0-6% of Net Sales of Transferee
Technical Services including Know How	0-5% of Net Sales of Transferee
Technical Services only	0-3% of Net Sales of Transferee
Know How only	0-2% of Net Sales of Transferee
Management Services	0-2% of Profit Before Tax of Transferee

In limited situations an application may be made to the GIPC for higher fees to be paid by the Transferee to the Transferor.

## What are the **key provisions in a Technology Transfer Agreement?**

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Key provisions as per GIPC legislation are as follows:

- a.** The services to be provided must be fully described and should not be freely and easily available in Ghana.
- b.** There should be attached a training schedule to the application for the training of local staff by the Transferor.

- c. The governing law must be Ghanaian law.
- d. The initial duration of the Agreement must be any period between 18 months and 10 years.

## How are Technology Transfer Agreements renewed?

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- a. Registered Technology Transfer Agreements may be renewed upon expiry. They are not automatically renewable, extendable or indefinite in duration.
- b. Renewal applications (unlike initial applications) require the approvals of the regulator of the sector of the applicant and the GIPC. GIPC registers the renewal application.
- c. Renewal applications must be for a period between 18 months and 5 years. There is no limit on how many times a Technology Transfer Agreement may be renewed.

## Which agreements do not qualify as Technology Transfer Agreements?

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- a. Agreements solely for the provision of goods.
- b. Agreements for a duration of less than eighteen months (not renewable or extendable)

**c.** Agreements for services that fall outside the scope of GIPC legislation e.g. copyright

## What is the registration procedure??

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Submission of the following documentation.

### Initial Applications

- a.** Completed Registration of Technology Transfer Agreement Form (Form GIPC/TT) in duplicate (**downloadable from GIPC website [www.gipccghana.com](http://www.gipccghana.com)**)
- b.** Certified true copy (by the Registrar-General's Department) of Certificate of Incorporation & Company Regulations as applicable.
- c.** Three original/notarised copies of the agreement to be registered
- d.** A detailed training schedule.
- e.** A yearly forecast of fees payable to the transferor per annum for the duration of the Agreement .
- f.** Certified true Copy (by the Registrar - General's Department or a Notary Public) of Industrial property registration(s) if applicable.
- g.** Copies of Audited Financial Statements for the five (5) most recent years of Transferee company.
- h.** Processing fee.

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## Renewal Applications

Applicants must submit the documentation listed in points 'a-g' above for Initial application as well as the following information:

- a.** Technology adopted or assimilated by the Transferee under the previous Agreement.
- b.** Challenges to full assimilation of the technology and the estimated period it will take the Transferee to completely assimilate the technology.
- c.** Justification for the renewal of the Agreement.
- d.** Training programmes organized for personnel of the Transferee under the previous Agreement.

## What application fees are payable to the GIPC?

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Processing fees payable to the GIPC upon submission of an initial application is GHC 11,760 and renewal application is GHC 17, 640.

Registration Fees are payable to the GIPC upon the approval of the application and are based on the amount of fees transferable to the Transferor under the Technology Transfer Agreement (see [www.gipcghana.com](http://www.gipcghana.com) for further details).

## Effects of non-registration

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Fees transferred by companies in Ghana under unregistered Technology Transfer Agreements are unlawful and constitute an offence under the GIPC Act

**For further information &**  
assistance on the registration of

Technology Transfer  
Agreements please contact the  
Legal Division of the GIPC by  
telephone on **0302- 665125-9** or

**send an e-mail**  
**to [legal@gipc.gov.gh](mailto:legal@gipc.gov.gh).**



