

**IMPLEMENTATION OF ARTICLE 66.2 OF THE TRIPS AGREEMENT:  
INFORMATION FROM DEVELOPED COUNTRY MEMBERS**

Addendum

NORWAY

The present document reproduces the information on Norway's implementation of Article 66.2 of the TRIPS Agreement, which has been received from the Permanent Mission of Norway by means of a communication dated 22 November 2002.

---

**Introduction**

1. Article 66.2 of the TRIPS Agreement requires "developed country Members to provide incentives to enterprises and institutions in their territories for the purpose of promoting and encouraging technology transfer to least-developed country Members in order to create a sound and viable technological base". The present note provides an update of the relevant facilities provided by the Norwegian Agency for Development Cooperation (NORAD) and the Norwegian Investment Fund for Developing Countries (NORFUND).

2. Least-developed countries are eligible for NORAD and NORFUND incentive schemes along with other developing countries with a GDP per capita less than US\$5,295 in accordance with the threshold for World Bank loan eligibility.

**Norwegian Agency for Development Cooperation (NORAD)**

3. NORAD provides incentives for technology transfer to least-developed and other developing countries through its facilities for investment support and financing arrangements for export.

4. The purpose of the NORAD facilities for investment support is to encourage firms to pursue opportunities for investment in developing countries. The facilities promote technology transfer by supporting feasibility studies for establishing joint ventures or foreign subsidiaries, investment in basic infrastructure and training for the purpose of strengthening the local management of joint ventures or companies that are owned wholly or partly by one or more foreign companies.

5. The purpose of the financing arrangements for the export of capital goods, technology and services is to promote transfer of technology more directly. They include support for training in connection with export, untied mixed credits<sup>1</sup>, equity investment guarantees<sup>2</sup> and untied co-financing.

---

<sup>1</sup> Mixed credits combine development assistance funds with ordinary export credits in order to further technology and capital transfer.

<sup>2</sup> Administered by the Norwegian Guarantee Institute for Export Credits.

Special training programmes in connection with such exports to developing countries are often necessary for ensuring a real transfer of technology, by providing know-how that contributes to the proper operation and maintenance of machines and equipment.

### **Norwegian Investment Fund for Developing Countries (NORFUND)**

6. The purpose of NORFUND is to promote private sector development in developing countries by providing risk capital and expertise. NORFUND supports the realization of viable commercial projects which balance economic, social and environmental considerations by investing in private enterprises and promoting business development in these countries. One third of NORFUND's total investments must be made in the least-developed countries.

7. NORFUND's two main investment strategies are direct investment and involvement in local investment funds. Direct investments in particular provide incentives for the transfer of technology.

8. Direct investments are made jointly with private companies, often in cooperation with local partners in developing countries. By providing risk capital, contacts and expertise on business and markets in developing countries, NORFUND can actively contribute to the success of projects initiated by private companies. NORFUND requires a well-documented business plan before proceeding with an investment, and the plan must demonstrate the presence of good earnings potential, expertise and an awareness of environmental and social considerations. NORFUND usually injects equity capital, at most matching the amount invested by the private company, and its commitments are based on shared risk, not subsidies.

\*\*\*

For further details concerning the above-mentioned incentive schemes, please contact:

Norwegian Agency for Development Cooperation (NORAD)  
Industrial Development Department  
P.O. Box 8034 Dep.,  
N-0030 Oslo, Norway  
Tel: +47 22 24 20 60  
Fax: +47 22 24 20 31  
E-mail: [sk@norad.no](mailto:sk@norad.no)  
Website: [www.norad.no](http://www.norad.no)

Norwegian Investment Fund for Developing Countries (NORFUND)  
P.O. Box 1280 Vika,  
N-0111 Oslo, Norway  
Tel: +47 22 01 93 93  
Fax: +47 22 01 93 94  
Email: [post@norfund.org](mailto:post@norfund.org)  
Website: [www.norfund.org](http://www.norfund.org)

---