

Ziyavudin Magomedov  
ABAC Chair 2012

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**Ms. Monica Contreras**

APEC CTI Chair &  
Deputy Director for Multilateral & Regional Negotiations  
Ministry of Economy  
Mexico

Dear Ms. Contreras,

ABAC believes that for a smooth transfer of technology to occur between economies, due collection of the intellectual property (IP) value of the technology, which includes the costs associated with dispatching people resources to support and complement the technology transfer, requires a fair, predictable and transparent framework in relation to the IP value collected.

The lack of a consistent approach to taxation of IP value across the APEC region can inhibit technology transfer, thereby jeopardising the operations and very existence of Foreign Direct Investment into those economies. Corporations need transparent, fair and predictable guidelines by which they can plan for and pay the necessary dues or taxes required to successfully operate trans-national businesses.

ABAC requests that the APEC CTI consider resolutions to this issue within APEC, or alternatively guide ABAC to the appropriate forum where this problem can be addressed.

Yours sincerely,



**Ziyavudin Magomedov**  
ABAC Chair 2012



**Tony Nowell**  
Chair, ABAC Regional Economic Integration  
Working Group