

**THE NATIONAL
ASSEMBLY**

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**THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness**

Hanoi, June 19, 2017

LAW

ON TECHNOLOGY TRANSFER

Pursuant to the Constitution of the Socialist Republic of Vietnam;

The National Assembly promulgates the Law on Technology Transfer.

Chapter I

GENERAL PROVISIONS

Article 1. Scope

This Law deals with the transfer of technologies in Vietnam, from foreign countries to Vietnam and vice versa; rights and obligations of organizations and individuals participating in technology transfer activities; appraisal of technology applied to investment projects; technology transfer agreements; measures to encourage the technology transfer, development of the science and technology market; state management of technology transfer.

Article 2. Interpretation of terms

For the purpose of this law, these terms are construed as below:

1. *Know-how* means the information that is gathered and obtained from the research, manufacturing and trading, and is decisive factor in determining the quality and competitive ability of technology and technological products. Know-how includes technical know-how and technological know-how.
2. *Technology* refers to a solution, process or know-how with or without accompanying instruments and facilities to convert resources into products.
3. *Advanced technology* refers to the technology which has a technological level higher than the current technological level of the same type in Vietnam and has been applied to the reality to improve the productivity and quality of products, and produce high-quality and eco-friendly products.
4. *New technology* refers to the technology which is developed or applied in Vietnam or in the world for the first time with the technological level higher than the current technological level of

the same type in Vietnam, eco–friendly, applied to the reality and capable of improving the productivity and quality of products.

5. *Clean technology* refers to the technology that generates less environmental pollutants as defined in the law on technical standards and regulations, and uses less non-renewable resources than existing technology.

6. *High technology* means the technology with a high content of scientific research and technological development; which is integrated from modern scientific and technological achievements; creates high-quality and eco-friendly products with high added value and significant features; plays key role in forming new manufacturing or service industry or modernizing an existing manufacturing or service industry.

7. *Technology transfer* refers to the transfer of the ownership or the right to use a given technology from the party that has the right to transfer such technology to the transferee.

8. *Domestic technology transfer* refers to the transfer of technology which is made within the territory of Vietnam.

9. *Transfer of technology from foreign countries to Vietnam* refers to the transfer of a given technology across border to Vietnam.

10. *Transfer of technology from Vietnam to foreign countries* refers to the transfer of a given technology which is developed within the territory of Vietnam across border to a foreign country.

11. *Commercialization of findings on scientific research and technological development* refers to the development, finishing, application, transfer or other activities related to findings on scientific research and technological development for profit purpose.

12. *Technology incubation* means a process to create, finish and commercialize technology from technology ideas, findings of scientific research and technological development or incomplete technology by means of assistance activities in technical infrastructure, resources and necessary services.

13. *Science and technology business incubation* means a process to establish and develop science and technology enterprises by means of assistance activities in technical infrastructure, resources and necessary services.

14. *Technology incubator or science and technology business incubator* is a facility that provides conditions as required by law such as technical infrastructure, resources and necessary services to serve the technology incubation or the science and technology business incubation.

15. *Technology innovation* refers to the partial or full replacement of existing technology by another one with the aims of improving the productivity, quality and competitiveness of products.

16. *Reverse engineering* is the process of discovering technological principles of a device, object or system through research and analysis of its structure, design, function and operation in order to maintain, operate, improve or make a new device, object or system that does the same thing with the original or meets requirements defined in the national technical standards and regulations.

17. *Technology appraisal* refers to the evaluation of level and economic effects of a given technology, its environmental and socio-economic impacts.

18. *Technology valuation* is the process of estimating the monetary value of a technology by a technology valuation authority or organization in conformity with the market price at a given place and time to serve specific purposes as defined in the applicable valuation standards.

19. *Technology assessment* refers to the process of identifying criteria of a given technology which have been satisfied through its applications against those agreed upon by the parties.

20. *Technology transfer brokerage* refers to a set of activities which provide assistance in seeking parties interested in technology transfer.

21. *Technology transfer consultancy* refers to a set of activities which provide assistance in selecting and applying technology; collecting information about technology, patents and/or findings on scientific research and technological development; negotiating, concluding and performing technology transfer agreements.

22. *Promotion of technology transfer* refers to a set of activities which create and improve the transfer of technology; provide services of advertising, exhibition and introduction of technology; organize technology markets, trade fairs and exhibitions, points of technology supply and demand, and technology transfer centers.

Article 3. State policies on technology transfer

1. Ensure rights and legal interests and facilitate organizations and individuals in carrying out technology transfer; develop science and technology market and the national innovative system which focuses on enterprises; improve the national technological level and potential with the aims of protecting the national defense and security and ensuring rapid and sustainable socio-economic development.

2. Diversify technology transfer forms and methods; encourage the technology transfer from various sources.

3. Give priority to the transfer of high technology, advanced technology, new technology, clean technology and technology serving the development of national key products, and technology serving national defense and security tasks both from foreign countries into Vietnam and domestic transfer of such technology; allocate adequate resources for technology transfer activities in agriculture and rural development; attach special importance to technology transfer activities performed at regions facing difficult or extremely difficult socio-economic conditions.

4. Assist technology ideas, innovative startups, technology incubation, and science and technology business incubation; assist application and innovation of technology, connection between scientific research and technological development organizations and training facilities or manufacturing facilities; attach special importance to the commercialization of domestic findings on scientific research and technological development; develop science and technology market intermediaries.

5. Speed up the transfer of advanced technology and high technology from foreign countries to Vietnam; encourage the transfer of technology from Vietnam to foreign countries; attach special importance to the development of advanced technology and high technology in a large scale from foreign-invested enterprises to domestic enterprises; speed up innovative operations of organizations and individuals.

6. Prevent and eliminate obsolete technologies and other technologies that may adversely influence on socio-economic development, national defense and security, environment and human health.

Article 4. Transferable technologies

1. One or some of the following technologies are transferable:

a) Technical know-how and technological know-how;

b) Technology plans or processes; engineering solutions, parameters, drawings or diagrams; formula, computer software and database;

c) Solutions for rationalization of production and technology innovation;

d) Accompanying machinery and/or equipment of transferable technologies mentioned in Points a, b and c of this Clause.

2. In case transferable technologies specified in Clause 1 of this Article are subject to intellectual property (IP) rights protection, the transfer of the intellectual property rights shall be carried out in accordance with regulations of the Law on intellectual property.

Article 5. Forms of technology transfer

1. Independent technology transfer contract.

2. Part of technology transfer in the following cases:

a) Investment project;

b) Making capital contribution by technology;

c) Franchise agreement;

d) Transfer of IP rights;

dd) Purchase or sale of machinery/ equipment mentioned in Point d Clause 1 Article 4 herein.

3. Technology transfer may be implemented under other forms as regulated by law.

4. The technology transfer prescribed in Clause 1 and Point b Clause 2 of this Article must be implemented under written agreements; the technology transfer prescribed in Points a, c, d and dd Clause 2 and Clause 3 of this Article may be implemented under contracts or terms or provisions or appendixes of contract or dossier of the investment project which must include all of contents mentioned in Article 23 herein.

Article 6. Methods of technology transfer

1. Transfer of documents concerning technology.

2. Provision of training to the transferee within a given period as agreed upon by the parties in order to enable the transferee to properly understand and master the transferred technology.

3. Appointment of expert(s) to provide technical support to the transferee in order that the transferee may apply or put the transferred technology into operation to achieve criteria of product quality or progress as agreed upon by the parties.

4. Transfer of accompanying machinery/ equipment of the technology prescribed in Point d Clause 1 Article 4 herein under the methods specified in this Article.

5. Other technology transfer methods as agreed upon by the parties.

Article 7. Rights to make technology transfer

1. A technology owner shall have the right to transfer the ownership or the right to use such technology.

2. An organization or individual that is entitled to use a given technology may transfer the right to use such technology to another one but it requires the technology owner's approval.

3. The scope of transfer of the right to use a technology shall be agreed upon by the parties. To be specific:

a) Exclusive or non-exclusive right to use such technology;

b) The transferee's right to re-transfer the right to use such technology to a third party.

Article 8. Capital contribution by technology to investment projects

An organization or individual that has the right to transfer technology as prescribed in Article 7 herein is entitled to make capital contribution by technology to investment projects; in case of investment project funded by the State, the technology which is used to make capital contribution to such project must be valued in accordance with regulations of law.

Article 9. Technologies encouraged for transfer

1. High technologies; accompanying machinery/ equipment of high technologies the transfer of which is encouraged under regulations of the law on high technologies.

2. Advanced technologies, new technologies and clean technologies that are suitable for socio-economic conditions of Vietnam shall be encouraged for transfer from foreign countries to Vietnam or domestically if any of the following requirements is satisfied:

- a) Produce high-quality and highly competitive products against those produced by the existing technology of the same type;
- b) Produce national key products from domestic findings on scientific research and technological development;
- c) Generate new manufacturing and processing services/ industries/ sectors; breed/ cultivate new varieties which have been tested;
- d) Save resources, energy or fuels in comparison with the existing technology of the same type in Vietnam;
- dd) Generate or use new or renewable energy; store energy in highly efficient way;
- e) Generate machinery/ equipment to improve educational and training quality; medical machinery/equipment and pharmaceutical products serving medical diagnosis and treatment, protection of human health and improve the physical strength for Vietnamese people;
- g) Discover, handle or forecast natural disasters or epidemic diseases; serve search and rescue activities; protect environment and cope with climate change and reduce the greenhouse gas emission;
- h) Assist the consistent production according production chains with high socio-economic efficiency;
- i) Create products which concurrently serve national defense, security and civil purposes;
- k) Develop and modernize traditional handicrafts.

3. Technologies; machinery/equipment accompanying the technologies which are mentioned in Point d Clause 1 Article 4 herein and exist in Vietnam, excluding the technologies prescribed in Clause 1 and Clause 2 of this Article, Clause 2 Article 10 herein; technologies operated by fuels

which are domestically produced products or half-way products are encouraged for transfer to foreign countries.

4. The Government is responsible for promulgating the List of technologies encouraged for transfer.

Article 10. Technologies restricted from transferring

1. The transfer of the following technologies from foreign countries to Vietnam or domestically shall be restricted:

- a) Technologies that are no longer popular in industrialized countries; accompany machinery/equipment of such technologies;
- b) Technologies that use toxic chemicals or generate hazardous waste in conformity with the national technical standards and regulations;
- c) Technologies that make products by adopting genetic engineering;
- d) Technologies that use or create radioactive substances in conformity with the national technical standards and regulations;
- dd) Technologies that use resources or minerals the extraction of which is limited domestically;
- e) Technologies that are employed to propagate, raise or cultivate new varieties which are not yet tested;
- g) Technologies that are employed to create products adversely influencing on customs and habits, traditions and social ethnics.

2. The transfer of the following technologies from Vietnam to foreign countries shall be restricted:

- a) Technologies that are employed to create traditional products or perform production activities according to traditional know-how or use or create categories/ species of agricultural varieties, minerals or typical precious materials of Vietnam;
- b) Technologies that are employed to create products to export to the markets in which there are products competitive with the main export products of Vietnam.

3. The Government is responsible for promulgating the List of technologies restricted from transferring.

Article 11. Technologies banned from transferring

1. The transfer of the following technologies from foreign countries to Vietnam or domestically shall be banned:

- a) Technologies that fail to satisfy regulations of laws on occupational safety and sanitation, protection of human health, resources and environment protection, and biodiversity;
- b) Technologies that are employed to create products adversely influencing on social – economic development or adversely influencing on the national defense and security or social order and security;
- c) Technologies that are no longer popularly used and transferred in developing countries and fail to satisfy national technical standards and regulations;
- d) Technologies that use toxic chemicals or generate hazardous waste that fails to satisfy the national technical standards and regulations on environment;
- dd) Technologies that use or create radioactive substances that fail to satisfy the national technical standards and regulations.

2. The transfer of technologies on the List of state secrets from Vietnam to foreign countries is also banned, unless otherwise stipulated by law.

3. The Government is responsible for promulgating the List of technologies banned from transferring.

Article 12. Prohibited acts in technology transfer

- 1. Abusing technology transfer activities to harm national defense, security interests, human health, environment, social ethnics, customs and habits; harm the lawful rights and interests of an organization or individual; deteriorate natural resources or biodiversity.
- 2. Carrying out the transfer of technologies which are banned from transferring; illegally transferring technologies which are restricted from transferring.
- 3. Committing violations against regulations on rights to transfer technology.
- 4. Committing deceits or frauds in making and performing technology transfer agreements, technology transfer service contracts, and technology-related contents specified in contracts or investment project dossiers.
- 5. Obstructing the provision of, or refusing to provide information concerning technology transfer activities upon requests of regulatory authorities.
- 6. Disclosing technological secrets inconsistently with the law or obstructing technology transfer activities.

7. Using/ applying technologies other than those approved or permitted by regulatory authorities.

Chapter II

APPRAISAL OF TECHNOLOGY APPLIED TO INVESTMENT PROJECT

Article 13. Appraisal or comment on technology applied to investment project

1. In course of issuing investment policies, the appraisal of technologies which are applied to the investment projects funded by public budget shall be performed under regulations of the law on public investments.

2. In course of issuing investment policies under regulations of the Law on investment, investors must ask regulatory authorities for appraisal or comment on the technologies applied to the following investment projects:

a) Investment project that applies technology on the List of technologies restricted from transferring;

b) Investment project that applies technology and may pose risk of adversely influencing on the environment under regulations of the law on environment protection.

3. When making decision on investment policies, the appraisal or comment on technologies is performed as follows:

a) The technologies applied to investment projects that apply technologies restricted from transferring or investment projects that apply technologies and may pose risk of adversely influencing on the environment under regulations of the law on environment protection must be appraised or commented in accordance with regulations herein;

b) Technologies applied to investment projects which are not defined in Point a of this Clause shall be appraised in accordance with regulations of the Law on Construction;

c) Technologies applied to investment projects that use public investment and do not have project components shall be appraised in accordance with regulations of the law on public investment.

4. In course of implementation of an approved investment project, if there is change in the technology applied to such investment project, the investor must submit report to the authority that has appraised or commented on such technology on such change for consideration.

Article 14. Power to appraise or comment on technology in the phase of issuing investment policy

1. The power to appraise technology applied to the investment project that uses public investment shall comply with regulations of the law on public investment.

2. The power to appraise or comment on the technologies applied the projects mentioned in Point a Clause 2 Article 13 herein or projects that use technologies restricted from transferring and may pose risk of adversely influencing on the environment is stipulated as below:

a) The State appraisal board shall be responsible for carrying out the appraisal of technologies applied to investment projects the investment policies of which are subject to decision of the National Assembly;

b) The Ministry of Science and Technology shall take charge and cooperate with relevant authorities and organizations to comment on technologies applied to investment projects the investment policies of which are subject to decision by the Prime Minister;

c) Specialized science and technology agencies affiliated to the Provincial-level People's Committees shall take charge and cooperate with relevant authorities and organizations to comment on technologies applied to investment projects which require decision on investment policies and are not subject to the cases defined in Point a and Point b of this Clause.

3. The power to appraise or comment on the technologies applied the projects mentioned in Point b Clause 2 Article 13 herein is stipulated as below:

a) The State appraisal board shall be responsible for carrying out the appraisal of technologies applied to investment projects the investment policies of which are subject to decision of the National Assembly;

b) Supervisory ministries shall take charge and cooperate with the Ministry of Science and Technology, relevant authorities and organizations to comment on technologies applied to investment projects the investment policies of which are subject to decision by the Prime Minister;

c) Specialized agencies affiliated to the Provincial-level People's Committees shall take charge and cooperate with relevant authorities and organizations to comment on technologies applied to investment projects which require decision on investment policies and are not subject to cases defined in Point a and Point b of this Clause.

Article 15. Power to appraise or comment on technology in the phase of making investment decision

1. The power to appraise or comment on the technologies applied the projects mentioned in Point a Clause 3 Article 13 herein is stipulated as below:

a) The State appraisal board shall appraise the technologies applied to nationally significant projects;

b) Specialized construction agencies as defined by the Law on Construction shall take charge and cooperate with the same-level agencies performing state management of industries/ sectors shall appraise technologies applied to group-A, B and C state-funded investment projects;

c) Agencies performing state management of industries/ sectors shall appraise or comment on technologies applied to group-A, B and C projects using non-state budget funding and other funding sources.

2. The power to appraise the technologies applied the investment projects mentioned in Point b Clause 3 Article 13 herein shall comply with regulations of the Law on Construction.

3. The power to appraise the technologies applied the investment projects mentioned in Point c Clause 3 Article 13 herein shall comply with regulations of the Law on Public Investment.

Article 16. Explanation about application of technology in investment project dossier

1. In course of issuing investment policies, the technology-related contents explained in the investment project dossier include:

a) Analysis and selection of technology plans;

b) Name and origin of technology, technology process diagram; list of main machinery/ equipment of technology lines in the selected technology plan, their status and specifications;

c) Documents proving that the technology has been verified (if any);

d) Plan for training or giving technical assistance in operating technology lines (if any);

dd) Technology application conditions;

e) Preliminary environmental impact assessment (if any);

g) Technology transfer agreement draft (if the contribution in form of technology is included).

2. When applying for investment decision, the technology-related contents explained in the investment project dossier include:

a) Name and origin of technology, technology process diagram; list of main machinery/ equipment of technology lines, their status and specifications;

b) Products and their quality standards;

c) The possibility of supplying materials, fuels to technology lines;

d) Training or providing technical assistance for operating technology lines;

dd) Costs of investment in technology, machinery, equipment, training and technical assistance.

Article 17. Procedures for appraisal or comment on technology applied to investment project in the phase of making decision on investment policy

Procedures for appraisal or comment on applied technology in the phase of issuing investment policy are stipulated as follows:

1. Procedures for appraisal of technology applied to the investment project that uses public investment shall comply with regulations of the Law on Public Investment;
2. Procedures for appraisal of technologies applied the investment projects mentioned in Clause 2 Article 13 herein of which investment policies are subject to decision of the National Assembly shall comply with regulations of the Law on Investment;
3. With regard to the investment projects mentioned in Point a Clause 2 Article 13 herein of which investment policies are subject to decision of the Prime Minister, within a duration of 03 days as from the receipt of sufficient project dossier, the investment registration agency shall send such investment project dossier to the Ministry of Science and Technology for comment on technology;
4. With regard to investment projects mentioned in Point a Clause 2 Article 13 herein of which investment policies are subject to decision of neither the National Assembly nor the Prime Minister, within a duration of 03 days as from the receipt of sufficient project dossiers, the investment registration agencies shall send such investment project dossiers to specialized science and technology agencies affiliated to the Provincial-level People's Committees for comment on technologies;
5. With regard to the investment projects mentioned in Point b Clause 2 Article 13 herein of which investment policies are subject to decision of the Prime Minister, within a duration of 03 days as from the receipt of sufficient project dossiers, the investment registration agencies shall send such investment project dossiers to supervisory ministries for comment on technology;
6. With regard to investment projects mentioned in Point b Clause 2 Article 13 herein of which investment policies are subject to decision of neither the National Assembly nor the Prime Minister, within a duration of 03 days as from the receipt of sufficient project dossiers, the investment registration agencies shall send such investment project dossiers to specialized agencies affiliated to the Provincial-level People's Committees for comment on technologies;
7. The duration for comment on technology applied to an investment project as prescribed in this Article is 15 days from the receipt of sufficient project dossier.

Article 18. Procedures for appraisal or comment on technology applied to investment project in the phase of making investment decision

1. The procedures for appraisal or comment on the technologies applied the projects mentioned in Point a Clause 3 Article 13 herein in the phase of making investment decision is stipulated as below:

- a) Procedures for appraisal of technologies applied to nationally significant projects shall comply with regulations of the Law on Investment and the Law on Public Investment;

b) With regard to group-A, B and C state-funded investment projects, within a duration of 05 working days from the receipt of sufficient project dossiers, specialized construction agencies as defined by the Law on Construction shall send written requests enclosed with copies of relevant documents to the same-level agencies performing state management of industries/ sectors for comment on technologies;

c) With regard to group-A, B and C projects using non-state budget funding and other funding sources, the investors shall simultaneously send fundamental designs to specialized construction agencies as defined by the Law on Construction for appraising fundamental designs, excluding appraisal of technological design, and agencies performing state management of industries/ sectors at the same level with specialized construction agencies for comment on technological design.

In case a specialized construction agency performs state management of industry/sector, such specialized construction agency shall take charge of appraising the project's fundamental design which includes technological design.

d) The duration for comment on technology shall be 20 days for Group-A project, 15 days for Group-B project and 10 days for Group-C project from the receipt of sufficient project dossier; the comment on technology may be extended for a period not exceeding the duration prescribed hereto. Regulatory authorities shall give written notification of extension stating extension reasons to specialized construction agencies or investors.

In case a specialized construction agency performs state management of industry/sector, the duration for appraising technological design shall be included in the duration for appraising fundamental design as prescribed by the Law on Construction.

2. Procedures for appraisal of technologies applied the investment projects mentioned in Point b Clause 3 Article 13 herein shall comply with regulations of the Law on Construction.

3. Procedures for appraisal of technologies applied the investment projects mentioned in Point c Clause 3 Article 13 herein shall comply with regulations of the Law on Public Investment.

Article 19. Elements of appraisal or requiring comment on technology applied to investment project

1. Elements of appraisal or requiring comment on technology in the phase of issuing investment policy include:

a) The rationality of selected technology plan;

b) Technology verification in developed countries (if any);

c) Training or provision of technical assistance for operating technology lines of the investment project (if any);

d) The satisfaction of requirements for application of technology;

dd) Preliminary environmental impact assessment;

e) Technology transfer agreement draft (if any);

g) With regard to an investment project in the high-tech park, elements of appraisal or requiring comment on technology shall comply with provisions in this clause and satisfy criteria or standards under regulations of the law on high technology.

2. Elements of appraisal or requiring comment on technology in the phase of making investment decision include:

a) The consistency of technology, machinery, equipment with the plan selected in the phase of issuing investment policy; national technical standards/ regulations and other regulations of relevant laws;

b) Products and their quality standards;

c) The compatibility and possibility of supplying materials and fuels to operate technology line, machinery, equipment;

d) Training or providing technical assistance for operating technology line, machinery, equipment;

dd) Costs of investment in technology, machinery, equipment, training and technical assistance.

Article 20. Processes of appraisal or giving opinion about technology applied to investment project

1. Agencies that have the power to appraise or comment on technologies applied to investment projects as prescribed by law shall take charge of holding appraisal of or comment on technologies applied to investment projects; where necessary, the consultation may be held in any of the following methods:

a) Setting up a science and technology consulting board;

b) Collecting opinions from independent consultants.

2. The consulting board is established according to decision of the presiding agency in charge of commenting on technology. The consulting board must work on a democratic, impartial and fair manner in conformity with the laws and professional ethics. The consulting board shall be responsible for its conclusion and proposals to the establishing agency. Such conclusion and proposals must be made in writing.

3. Members of the consulting board shall assume liabilities before the law for their opinions and keep secret of information concerning the investment project. They must give written opinions.

4. Funding for collecting opinions on technology applied to an investment project:

a) In the phase of issuing investment policy, the collection of opinion on technology shall be funded by state budget;

b) In the phase of issuing investment decision, expenditure for collecting opinion on technology shall be covered by the investor and included in the project's total investment.

Article 21. Inspection of technology applied to investment project and technology transfer

1. The application and transfer of technology to an investment project under regulations in Article 13 herein must be properly inspected.

2. Investment authorities shall take charge of and cooperate with specialized authorities in inspecting technologies applied to investment projects when conducting the investment inspection under regulations of law.

3. Science and technology authorities shall take charge of and cooperate with relevant authorities to inspect the technology transfer in the following cases:

a) According to plans;

b) Upon detection of signs of violations against regulations on application and transfer of technologies in course of implementation of investment projects and technology transfer.

Chapter III

TECHNOLOGY TRANSFER AGREEMENT

Article 22. Conclusion and performance of technology transfer agreement

1. A technology transfer agreement must be concluded in writing or in any forms which are considered as written transactions under regulations of the Civil Code. The agreement must be signed and sealed (if any) by the parties; all pages of the agreement or its appendixes must be initialed and sealed (if any).

2. The language used in the agreement shall be agreed upon by the parties.

3. The technology transfer agreement is concluded and performed in accordance with regulations of this Law, the Civil Code, and the Law on Commerce, the Law on Intellectual Property, the Competition Law and relevant laws.

Article 23. Contents of a technology transfer agreement

1. Name of technology to be transferred.
2. Technologies to be transferred, products created by the transferred technology, their quality standards.
3. Transfer of the ownership and/or the right to use technology.
4. Method of technology transfer.
5. Rights and obligations of the parties.
6. Price and method of payment.
7. Duration and effective date of the technology transfer agreement.
8. Definitions and terms used in the technology transfer agreement (if any).
9. Technology transfer plan or schedule, and location.
10. Warranty on transferred technology.
11. Penalty for breach of agreement.
12. Liability for breach of agreement.
13. Dispute resolution authority.
14. Other contents agreed upon by the parties.

Article 24. Duration and effective date of the technology transfer agreement

1. Duration of a technology transfer agreement shall be agreed upon by the parties.
2. The effective date of a technology transfer agreement shall be agreed upon by the parties. In case the parties fail to agree on the effective date, the technology transfer agreement shall become effective as from the date on which it is signed, excluding the cases prescribed in Clause 3 of this Article.
3. An agreement for transfer of technology restricted from transferring shall become effective as from the issued date of the technology transfer permit.

The technology transfer agreement which must be registered under regulations in Clause 1 and Clause 2 Article 31 herein shall become effective as from the issued date of Certificate of registration of technology transfer. If a technology transfer agreement is extended or revised, the written agreement on extension or revision shall become effective as from the issued date of Certificate of registration of technology transfer extension or revision.

Article 25. Rights and obligations of the transferor

1. The transferor has the following rights:

- a) Request the transferee to strictly comply with provisions of the technology transfer agreement;
- b) Receive full payment and enjoy other rights and interests as specified in the technology transfer agreement;
- c) Hire an organization or individual to make technology transfer as regulated by law;
- d) Request regulatory authorities to protect rights and legal interests related to the transferred technology;
- dd) Request the transferee to implement corrective measures and make compensation for damage in case the transferee fails to fulfill its obligations specified in the technology transfer agreement, unless otherwise agreed;
- e) Have other rights as defined by law.

2. The transferor must discharge the following obligations:

- a) Ensure that the right to transfer technology is legal and not limited by the third party, unless otherwise agreed;
- b) Comply with provisions specified in the technology transfer agreement; make compensation for damage caused to the transferee and/or the third party due to the transferor's breach of agreement;
- c) Keep secret of technology-related information and other information in course of negotiation, conclusion and performance of the technology transfer agreement;
- d) Give a notification to the transferee and implement appropriate measures upon discovery of any technical difficulties which may result in the transferred technology fails to satisfy requirements specified in the agreement;
- dd) Apply for permit to transfer technology which is restricted from transferring from Vietnam to foreign countries, unless otherwise agreed upon by the parties;
- e) Fulfill financial obligations and other obligations as regulated by law.

Article 26. Rights and obligations of the transferee

1. The transferee has the following rights:

- a) Request the transferor to strictly comply with provisions of the technology transfer agreement;

- b) Request regulatory authorities to protect rights and legal interests related to the transferred technology;
- c) Hire an organization or individual to make technology transfer as regulated by law;
- d) Request the transferor to implement corrective measures and make compensation for damage in case the transferor fails to fulfill its obligations specified in the technology transfer agreement, unless otherwise agreed;
- dd) Have other rights as defined by law.

2. The transferee must discharge the following obligations:

- a) Comply with provisions specified in the technology transfer agreement; make compensation for damage caused to the transferor and/or the third party due to the transferee's breach of agreement;
- b) Keep secret of technology-related information and other information in course of negotiation, conclusion and performance of the technology transfer agreement;
- c) Apply for permit to transfer technology which is restricted from transferring from a foreign country to Vietnam, unless otherwise agreed upon by the parties;
- d) Fulfill financial obligations and other obligations as regulated by law.

Article 27. Price for technology transfer and payment method

1. The price for transferring technology shall be subject to agreement between the parties.
2. The payment may be made by adopting any of the following methods:
 - a) One-off or multiple payments in cash or by goods;
 - b) Transfer of technology value as capital contribution to the investment project or enterprise under regulations of law;
 - c) Payment by percentage (%) of the net selling price;
 - d) Payment by percentage (%) of the net revenue;
 - dd) Payment by percentage (%) of the earnings before income taxes of the transferee;
 - e) Other payment method as agreed upon by the parties.
3. The price of transferred technology must be audited and applied in accordance with regulations of the Law on taxation and prices in the following cases:

- a) Technology is transferred between the parties among which one or both parties have state funding;
 - v) Technology is transferred between the parties having parent company-sub subsidiary company relationship;
 - c) Technology is transferred between the parties having association relationship as prescribed by the law on taxation.
4. The Government shall promulgate detailed regulations on this Article.

Article 28. Transfer of technology restricted from transferring

1. An organization or individual that wants to transfer any of the technologies restricted from transferring as prescribed in Article 10 herein must apply for a technology transfer permit.
2. The issuance of technology transfer permit must comply with the following order:
 - a) Giving approval for technology transfer.

The transfer of technologies applied to investment projects which have been appraised or given opinions in the phase of issuing investment policies or investment decisions is exempted from approval for technology transfer;

- b) Issuing technology transfer permit.
3. Transferees of technologies which are transferred from foreign countries to Vietnam or transferred domestically and transferors of technologies which are transferred from Vietnam to foreign countries must prepare annual reports on their performance of technology transfer agreements under regulations by the Ministry of Science and Technology.

Article 29. Application and procedures for approval for technology transfer

1. An application for an approval for technology transfer includes:
 - a) The application form for an approval for technology transfer;
 - b) Proof of legal status of the applicant;
 - c) Written explanation for technology to be transferred;
 - d) Written explanation for conditions for applying transferred technology in accordance with regulations of law;
 - dd) written explanation for the consistency of transferred technology with laws on technical standards and regulations.

2. The organization or individual that wants to make transfer of technology restricted from transferring shall send an application for approval for technology transfer to the Ministry of Science and Technology.

3. Within 03 working days from the receipt of application, the Ministry of Science and Technology shall consider and request the applicant to supplement the application in accordance with regulations.

4. Within 30 days from the receipt of sufficient application, the Ministry of Science and Technology shall take charge of and cooperate with relevant ministries to give a written approval for technology transfer. If the application is refused, a written response which specifies reasons for refusal shall be given to the applicant.

5. Minister of Science and Technology is responsible for promulgating the templates of the application form for approval for technology transfer and explanation for technology.

Article 30. Application and procedures for issuance of technology transfer permit

1. An application for a technology transfer permit includes:

a) The application form for a technology transfer permit, which specifies the parties' responsibility to ensure the compliance of contents of the technology transfer agreement with relevant laws;

b) Proof of legal status of the parties entering into the technology transfer agreement;

c) The original in Vietnamese or the certified copy of the technology transfer agreement. In case of unavailability of the technology transfer agreement in Vietnamese language, the notarized or certified translation into Vietnamese language shall be submitted;

d) The list of documents concerning technology, machinery, equipment (if any) enclosed with the technology transfer agreement;

dd) The certified copy of IP Rights Certificate for objects subject to IP Rights protection (if any);

e) Quality standards of products created by applying the transferred technology;

g) Explanation for conditions for using technology;

h) The written record of valuation of transferred technology in case the transferee uses state funding.

2. Upon the receipt of approval for technology transfer from the Ministry of Science and Technology, the parties shall conclude a technology transfer agreement.

3. Within 60 days from the conclusion of the technology transfer agreement, the party that is obliged to apply for a technology transfer permit shall send an application for a technology transfer permit to the Ministry of Science and Technology.

4. Within 05 working days from the receipt of application, the Ministry of Science and Technology shall consider and request the applicant to supplement the application in accordance with regulations.

Within 60 days from the receipt of the written request for supplementation of the application, the applicant must supplement required documents or submit an application for extension of deadline for supplementing documents. The extension given to supplement the application shall not exceed 60 days. Over this period, if the applicant fails to supplement required documents, the Ministry of Science and Technology shall give a written notification of refusal to issue the technology transfer permit and return the application as requested.

5. Within 15 working days from the receipt of sufficient application, the Ministry of Science and Technology shall process the application and grant a technology transfer permit to the applicant. If the application is refused, a written response which specifies reasons thereof shall be given.

6. In case of change in contents of a technology transfer permit, the applicant must carry out procedures for a new permit.

7. Minister of Science and Technology is responsible for promulgating the template of the application form for a technology transfer permit and the technology transfer permit template.

Article 31. Registration of technology transfer

1. Technology transfer agreement and part of technology transfer laid down in Clause 2 Article 5 herein must be registered with science and technology authorities in the following cases, excluding the transfer of technologies restricted from transferring which have been granted technology transfer permit:

a) Transfer of technology from a foreign country to Vietnam;

b) Transfer of technology from Vietnam to a foreign country;

c) Domestic technology transfer with use of state funding or state budget, excluding cases where Certificate of registration of science and technology task outcomes is available.

2. The Government encourages organizations and individuals to carry out the registration of technology transfer agreement in cases other than those prescribed in Clause 1 of this Article.

3. An application for registration of technology transfer includes:

a) The application form for registration of technology transfer, which specifies the parties' responsibility to ensure the compliance of contents of the technology transfer agreement with relevant laws;

b) The original or the certified copy of the technology transfer agreement which includes all of contents prescribed in Article 23 herein. In case of unavailability of an agreement in Vietnamese language, the notarized or certified translation of the technology transfer agreement into Vietnamese language shall be submitted.

4. Within 90 days from the conclusion of the technology transfer agreement, the party that is obliged to apply for registration of technology transfer shall send an application for Certificate of registration of technology transfer to the science and technology authority.

5. Within 05 working days from the receipt of sufficient application, the science and technology authority shall process the application and grant a Certificate of registration of technology transfer to the applicant. If an application is refused, a written response which specifies reasons thereof shall be given to the applicant.

6. Science and technology authorities are entitled to refuse applications for Certificate of registration of technology transfer in the following cases:

a) A technology transfer agreement which is made for transfer of technology restricted from transferring;

b) An agreement which does not specify transferable technology or technology transfer contents;

c) An agreement whose contents are in contravention to regulations of this law.

7. The Government shall promulgate detailed regulations on this Article.

Article 32. Validity of technology transfer permit/ Certificate of registration of technology transfer

1. Technology transfer permit/ Certificate of registration of technology transfer shall become effective as from the issued date.

2. Issuing authorities shall have the power to nullify the issued technology transfer permit/ Certificate of registration of technology transfer in the following cases:

a) Failing to comply with provisions in the technology transfer permit or Certificate of registration of technology transfer;

b) Forging the application for the technology transfer permit or Certificate of registration of technology transfer;

c) At the request of a regulatory authority in case the holder commits violations against regulations of relevant laws.

3. If an organization or individual has been granted the Certificate of registration of technology transfer and enjoyed supports or incentives under regulations of law but such Certificate is nullified, the Certificate holder is responsible for returning received supports or incentives to the Government in accordance with the Government's regulations.

Article 33. Extension and revisions to technology transfer

1. If the parties reach an agreement on extension or revisions to the technology transfer of which Certificate of registration has been granted, the parties must submit the application prescribed in Clause 2 of this Article to the issuing authority of Certificate of registration of technology transfer for Certificate of registration of extension or revisions to the technology transfer under regulations of law.

2. An application for extension or revisions to technology transfer includes:

a) The application form for extension or revisions to technology transfer;

b) The original in Vietnamese language or the certified copy of the written agreement on extension or revisions. In case of unavailability of an agreement in Vietnamese language, the notarized or certified translation of such agreement into Vietnamese language shall be submitted.

3. Procedures for extension or revisions to technology transfer shall comply with regulations in Clauses 4, 5 and 6 Article 31 of this Law.

4. Minister of Science and Technology shall assume responsibility to promulgate the template of the application form for extension or revisions to technology transfer and the template of Certificate of registration of extension or revisions to technology transfer.

Article 34. Responsibility to keep secret in the course of issuing technology transfer permit or Certificate of registration of technology transfer

Authorities and/or individuals responsible for issuing the technology transfer permit or Certificate of registration of technology transfer shall assume responsibility to keep secret of application-related information.

Chapter IV

MEASURES TO PROMOTE TECHNOLOGY TRANSFER AND SCIENCE AND TECHNOLOGY MARKET DEVELOPMENT

Section 1. PROMOTION OF TECHNOLOGY APPLICATION AND INNOVATION

Article 35. Supports and incentives for enterprises to develop technology application and innovation

1. The Government shall give supports to enterprises that have projects in regions or sectors eligible for investment incentives to carry out technology transfer activities with science and technology organizations.
2. Enterprises may use funding from their science and technology development funds to make investment, provide or receive counterpart funds for developing technology innovation, technology incubation, science and technology business incubation, innovative startups, commercialization of their findings on scientific research and technological development and covering other expenditures under regulations of the law on science and technology.
3. The ownership, the right to use and other rights that arise from findings on scientific research and technological development or intellectual property objects whose value may be determined are considered as property rights.

The National Foundation for Science and Technology Development, the National Technology Innovation Fund or credit institutions may receive the property rights as prescribed in this Clause as collaterals for loans for investment in science and technology projects, innovative startups, or development of findings on scientific research and technological development.

4. The Government encourages the cooperation under any forms between enterprises and authorities, organizations or individuals in developing technology innovation projects, innovative startups, or upgrading infrastructure facilities to serve science and technology development and general research activities.
5. Enterprises that make investment in material – technical facilities to serve reverse engineering, organizations or individuals that carry out the reverse engineering are entitled to the following incentives:
 - a) Receive supports, guarantee for loans or preferential loan interest rate from the National Technology Innovation Fund or credit institutions;
 - b) Enjoy other supports or incentives in accordance with regulations herein and relevant laws.
6. Socio-political organizations, social organizations and socio-professional organizations shall, within the ambit of their assigned functions and duties, facilitate organizations, individuals and enterprises in performing technology transfer activities.
7. The Government shall promulgate detailed regulations on this Article.

Article 36. Promoting commercialization of findings on scientific research and technological development

1. Findings on scientific research and technological development which are considered as public property shall be managed and used in accordance with regulations of the law on management and use of public property.

2. The ownership of findings on scientific research and technological development which have been funded by the Government shall comply with the following regulations:

a) If the Government provides funding for performing scientific research and technology development tasks for an entity that makes investment in material - technical facilities and/or financial investment and concurrently acts as the presiding entity of such scientific research and technology development tasks, the ownership of findings on such scientific research and technology development tasks shall be given to this entity.

b) If the Government provides funding for performing scientific research and technology development tasks on the basis of cooperation between an entity that makes investment in material - technical facilities and/or financial investment and the presiding entity of such scientific research and technology development tasks, the ownership of findings on such scientific research and technology development tasks shall be given under the agreement between the parties.

3. Profits accrued from the commercialization of findings on scientific research and technological development funded by state budget must be divided so as to ensure interests of owners, authors, presiding entity, intermediaries, organizations and individuals involved in such commercialization activities in accordance with relevant laws.

4. If findings on scientific research and technological development which have been self-financed and performed by an organization or individual are effectively transferred and applied, and recognized by science and technology authorities, such organization or individual may get financial supports from state budget. In case such findings are found important for the socio-economic development as well as national defense and security, the Government shall consider purchasing such findings.

Science and technology authorities shall assume responsibility to collect, appraise, select, recognize and announce findings on scientific research and technological development to serve demands for innovation of organizations and individuals.

5. Science and technology organizations that own findings on scientific research and technological development and associate with local organizations applying or transferring technology may receive funding from state budget to develop such findings in conformity with local features.

6. Individuals that work at research institutions or higher education institutions and do research on technology transfer, application and/or innovation at production and/or business establishment may receive funding for science and technology activities from state budget and other lawful funding sources.

7. Facilities and equipment serving the performance of science and technology tasks shall be managed, used and settled in accordance with regulations of the law on management of public property.

8. The Government shall facilitate the establishment of industrial property rights, certification and registration of new products or new technologies by organizations or individuals conducting commercialization of findings on scientific research and technological development or technology transfer activities.

9. The Government shall promulgate detailed regulations on this Article.

Article 37. National technology innovation program

1. Objectives of the National technology innovation program:

a) Improve the national technological capacity and technology transfer efficiency;

b) Serve the development of national key products;

c) Facilitate small-size and medium-size enterprises' application of technologies, commercialization of findings on scientific research and technological development and/or technology innovation;

d) Intensify technological resources in rural regions, mountainous regions, and regions facing difficult or extremely difficult socio-economic conditions.

2. Based on the national socio-economic development tasks in each period, Ministry of Science and Technology shall take charge of and cooperate with relevant ministries, ministerial-level agencies and the Government's affiliates to formulate and submit the National technology innovation program to the Prime Minister for approval.

Article 38. National Technology Innovation Fund

1. Objectives of the National Technology Innovation Fund:

a) Assist enterprises in transferring, innovating or finishing technologies encouraged for transfer as prescribed in Article 9 herein;

b) Promote the transfer of technologies serving agricultural development in rural regions, mountainous regions and regions facing difficult or extremely difficult socio-economic conditions;

c) Assist technology incubation, science and technology business incubation and reverse engineering activities;

d) Assist training for science and technology personnel to serve the transfer, innovation and finishing of technologies.

2. The National Technology Innovation Fund shall provide assistance in the following forms:

a) Give concessional loans;

b) Grant loan interest rate subsidy;

c) Give loan guarantee;

d) Give financial support.

3. The National Technology Innovation Fund is established from the following sources of funding:

a) Voluntary contributions by domestic and foreign entities and individuals;

b) Loan interests;

c) Charter capital supported by state budget;

d) Other lawful funding sources.

4. The Prime Minister shall make decision on establishment, management and use of funding from the National Technology Innovation Fund.

Article 39. Tax policies aimed at promoting technology transfer, application and innovation

The following entities are eligible for tax incentives in accordance with regulations of the law on taxation:

1. Machinery, equipment, components, materials, specimens or technologies which are not yet created domestically and are imported to directly serve research and development, reverse engineering, technology innovation and technology transfer; scientific documents, books and journals that serve innovative startups and science and technology business development;

2. Technology incubators, science and technology business incubators, organizations or individuals investing in and supporting innovative startups; science and technology market intermediaries that have earnings from provision of technology transfer services;

3. Transferors of technology from Vietnam to foreign countries; organizations or individuals carrying out scientific research and technology development activities, technology transfer and/or reverse engineering at enterprises;

4. Organizations or individuals that make transfer of technologies encouraged for transfer.

Article 40. Developing technologies that create and finish national key products

1. Prioritize the transfer of technologies which are adopted to create national key products from findings on domestic scientific research and technological development.
2. Encourage the development of technologies which are adopted to create and finish national key products that are highly competitive in both domestic and foreign market.
3. The Government adopts specific policies and measures to step up the completion of Vietnam's machinery and equipment design and/or manufacturing in order produce competitive products.
4. Enterprises and entities that transfer, apply and perfect technologies which are adopted to create national key products are entitled to enjoy preferential treatment under regulations of law.
5. The Government shall promulgate detailed regulations on this Article.

Section 2. SCIENCE AND TECHNOLOGY MARKET DEVELOPMENT

Article 41. Science and technology market development strategies

1. The Government adopts specific policies and measures to support or make investment in the science and technology sector with funding from state budget, and mobilize other lawful funding sources to develop the science and technology market by means of developing sources of technological supply and demand, and science and technology market intermediaries as prescribed Article 42 and Article 43 herein.
2. Based on the national socio-economic development tasks in each period, Ministry of Science and Technology shall take charge of and cooperate with relevant ministries and ministerial-level agencies to formulate and submit national technology innovation programs to the Prime Minister for approval.

Article 42. Developing sources of supply and demand in science and technology market

Sources of supply and demand in science and technology market may be developed by means of the following activities:

1. Importing, reverse-engineering or owning high technology, advanced technology and/or clean technology to serve the implementation of national and regional socio-economic development plans and/or strategies;
2. Purchasing and doing research on perfecting inventions or initiatives which have been effectively applied in a small scale and then transferring them to enterprises or disseminating them to people;
3. Improving the extraction and application of findings on scientific research and technological development, technological ideas by science and technology businesses, high technology

enterprises, innovative startups, entities supporting innovation or innovative startups, technology incubators, science and technology business incubators, and high-tech business incubators;

4. Evaluating new technologies and new products which are generated in Vietnam from findings on scientific research and technological development with price and quality equivalent to those of the imported ones in order to encourage the application of such new technologies/ products to investment projects funded by state budget or give priority to them in course of bidding for purchase and supply of public products and services;

5. Training and improving enterprises' capacity for adopting and owning technologies; carrying out the commercialization of findings on scientific research and technological development; associating, cooperating or exchanging science and technology personnel between research institutes or training institutions and production and business establishments;

6. Collecting and providing technology-related information to enterprises, business associations, industry associations, cooperatives, intellectual property, investment promotion or trade promotion service providers;

7. The Government shall promulgate detailed regulations on this Article.

Article 43. Development of science and technology market intermediaries

1. Science and technology market intermediaries provide technology transfer brokerage, consultancy and promotion services, technology appraisal, valuation and assessment services, connection and assistance services for suppliers, demanders and other parties in technology-related transactions.

2. The Government implements the following measures to develop science and technology market intermediaries:

a) Building technical infrastructure facilities and assisting operation of national technology transfer center and technology business startup support center within 05 first operating years;

b) Supporting training for personnel of intermediaries;

c) Assisting and improving the capacity of providers of technology transfer consultancy, brokerage and/or promotion services, technology appraisal, valuation and assessment services for exploitation of information concerning technology, intellectual property, findings on domestic and foreign scientific research and technological development.

3. Organizations and individuals are encouraged to provide technology transfer brokerage, consultancy and promotion services in research institutes or training institutions; a network of domestic and foreign technology transfer consultancy organizations shall be established.

4. The Government shall promulgate detailed regulations on this Article.

Article 44. Announcement, performance and introduction of technology

1. Technologies are exhibited, introduced, traded and transferred under promotion at technology markets, trade fairs and exhibitions, points of technology supply and demand, technology exchanges or transfer centers.
2. In course of announcement, performance and introduction of technologies, science and technology authorities shall assume responsibility to:
 - a) Every year, announce the list of technologies created with funding from state budget on their websites, unless otherwise prescribed by law;
 - b) Encourage and assist enterprises, organizations and individuals in announcing their new technologies.
3. The Government shall adopt measures to support domestic enterprises, organizations or individuals that create new technologies in their announcement, performance and introduction of technology in both domestic and foreign technology markets and/or fairs.

Section 3. TECHNOLOGY TRANSFER SERVICES

Article 45. Types of technology transfer services

1. Technology transfer brokerage.
2. Technology transfer consultancy.
3. Technology appraisal.
4. Technology valuation.
5. Technology assessment.
6. Promotion of technology transfer.

Article 46. Rights of technology transfer service provider

1. Each technology transfer service provider shall have the following rights:
 - a) Request service users to provide necessary information and/or documents to serve the provision of technology transfer services;
 - b) Receive income and other interests from provision of technology transfer services as agreed;
 - c) Hire collaborators and/or experts to serve the provision of technology transfer services;

- d) Have the right to use technology database in accordance with regulations of law;
- dd) Request service users to make compensation for damage caused by their mistake;
- e) Cooperate or form joint-ventures with other entities or individuals to develop technology transfer services;
- g) Participate in domestic and/or international industry associations in accordance with regulations of law;
- h) Exercise other rights in accordance with regulations herein and relevant laws.

2. Providers of technology transfer brokerage, consultancy and/or promotion services shall have the rights mentioned in Clause 1 of this Article and be entitled to earn profits from the application, transfer of right to use of, transfer or capital contribution by findings on scientific research and technological development funded by state budget.

Article 47. Obligations of technology transfer service provider

1. Each technology transfer service provider shall discharge the following obligations:

- a) Perform the signed technology transfer service contracts;
- b) Assume responsibility for the provision of technology transfer services;
- c) Make compensation for damage to service users due to its mistake;
- d) Maintain and return documents and/or facilities to service users upon the completion of service provision as agreed;
- dd) Timely inform service users of insufficient information and/or documents resulting in failure to provide services;
- e) Keep secret of information as agreed upon in the technology transfer service contract;
- g) Fulfill financial obligations and other obligations as regulated by law.

2. In addition to the fulfillment of obligations prescribed in Clause 1 of this Article, providers of technology appraisal, valuation or assessment services must discharge the following obligations:

- a) Apply for certificate of eligibility to provide technology appraisal, valuation and/or assessment services as regulated by law;
- b) Send annual reports on provision of technology appraisal, valuation and/or assessment services to science and technology authorities.

Article 48. Providers of technology appraisal, valuation and assessment services

1. Technology appraisal, valuation and/or assessment services shall be provided by science and technology organizations or enterprises running technology appraisal, valuation and/or assessment services.
2. A technology valuation organization is required to meet eligibility requirements laid down in the pricing law and specific requirements for personnel, material – technical facilities.
3. The Government shall stipulate the power, procedures and requirements for issuance of Certificate of eligibility to provide technology appraisal and assessment services; specific requirements for personnel, material – technical facilities which must be satisfied by technology valuation organizations.

Section 4. TECHNOLOGY TRANSFER IN RURAL REGIONS, MOUNTAINOUS REGIONS, ISLANDS AND REGIONS FACING DIFFICULT OR EXTREMELY DIFFICULT SOCIO-ECONOMIC CONDITIONS

Article 49. Technologies encouraged to be transferred to rural regions, mountainous regions, islands and regions facing difficult or extremely difficult socio-economic conditions

Technologies prescribed in Article 9 herein and the following technologies are encouraged to be transferred to rural regions, mountainous regions, islands and regions facing difficult or extremely difficult socio-economic conditions:

1. Technologies applied to the conservation and development of genetic resources; selection, generation and improvement of economic value of plant varieties and domestic animal breeds;
2. Technologies for cultivation/raising/ production, maintenance and processing of agricultural, forest and salt products, medicinal plants, fungi, and beneficial microorganisms for agriculture and aquaculture;
3. Technologies for prevention and control of pests and diseases of plant varieties, domestic animal breeds or medicinal plants;
4. Technologies for production, extraction and thriving use of clean water sources; technologies for water treatment in aquaculture industry;
5. Technologies for improvement of productivity, quality and efficiency of traditional products of local handicraft villages.

Article 50. Responsibility of organizations and individuals for technology transfer to rural regions, mountainous regions, islands and regions facing difficult or extremely difficult socio-economic conditions

1. Programs or projects for introduction of plant varieties, domestic animal breeds or technologies for cultivation/raising/ production, maintenance and processing of agricultural, forest, aquatic or salt products must include technology transfer contents.
2. Before introducing or transferring technology for cultivation/raising/ production, maintenance and processing of agricultural, forest, aquatic or salt products, organizations or individuals must report to the science and technology authority at locality where such technology transfer is made.
3. Organizations or individuals that provide plant varieties and/or domestic animal breeds and transfer technologies for cultivation/raising/ production, maintenance and processing of agricultural, forest, aquatic or salt products must provide instructions on transferred technologies to users and make compensation for damage caused by their provision of plant varieties and/or domestic animal breeds and technology transfer.
4. Other responsibility is prescribed by law.

Article 51. Responsibility of regulatory authorities for technology transfer to rural regions, mountainous regions, islands and regions facing difficult or extremely difficult socio-economic conditions

1. Local science and technology authorities are responsible for instructing and facilitating the introduction and transfer of plant varieties or domestic animal breeds or technologies for cultivation/raising/ production, maintenance and processing of agricultural, forest, aquatic or salt products; promoting local technology transfer activities; inspecting and preventing the introduction or provision of plant varieties or domestic animal breeds or technologies that cause damage to users.
2. Every year, the Ministry of Science and Technology shall take charge of and cooperate with relevant ministries, ministerial-level agencies and the Government's affiliates to appraise the technology transfer activities conducted at rural regions, mountainous regions, islands or regions facing difficult or extremely difficult socio-economic conditions.

Article 52. Technology transfer in agriculture

1. The transfer of technological advances in varieties, products, production process, technical solutions and management solutions in the field of agriculture is encouraged.
2. The agricultural technology transfer may be carried out under forms prescribed in this Law or other specific forms including agricultural extension programs or plans, or other technology transfer programs or plans given approval by regulatory authorities.
3. The agricultural technology transfer may be carried out by adopting methods prescribed in this Law or other specific methods including training, improvement, performance models or propagation activities.

4. The Government shall promulgate detailed regulations on specific forms and methods of agricultural technology transfer prescribed in Clause 2 and Clause 3 of this Article; transferors and transferees according to specific forms and methods of agricultural technology transfer prescribed in Clause 2 and Clause 3 of this Article; policies on technology transfer in agriculture.

5. Minister of Agriculture and Rural Development shall promulgate the List of technological advances in varieties, products, production process, technical solutions and management solutions encouraged for transfer in the field of agriculture; criteria, formalities and procedures for certification of technological advances.

Chapter V

STATE MANAGEMENT OF TECHNOLOGY TRANSFER

Article 53. Responsibility of the Government

1. Carry out the consistent state management of technology transfer activities.
2. Instruct, promulgate and organize the implementation of legislative documents, strategies, plans, mechanisms, policies and measures to improve technology transfer and innovation activities in conformity with each national socio-economic development period.
3. Assign and authorize regulatory authorities to perform state management of technology transfer activities.
4. Promulgate the List of technologies encouraged for transfer, the List of technologies restricted from transferring and the List of technologies banned from transferring.

Article 54. Responsibility of Ministry of Science and Technology

1. Take charge of assisting the Government in carrying out the consistent state management of technology transfer activities.
2. Preside over the formulation of programs, projects and policies on import of technologies, science and technology market development, promotion of technology transfer, application and innovation, and then submit them to the Prime Minister for consideration.
3. Compile and submit the List of technologies encouraged for transfer, the List of technologies restricted from transferring and the List of technologies banned from transferring to the Government for promulgation.
4. Issue and revoke technology transfer permits with respect to technologies on the List of technologies restricted from transferring.
5. Appraise, comment on and inspect technologies applied to investment projects within its competence.

6. Instruct the evaluation of technological level and competence in industries/ sectors according to requirements for socio-economic development and international economic integration in each period.
7. Organize the appraisal, selection and announcement of technologies which are created from findings on scientific research and technological development.
8. Organize training and retraining courses to improve capacity and professional skills in performing transfer and commercialization of findings on scientific research and technological development, technology application and innovation.
9. Organize statistical works on technology transfer, application and innovation in accordance with regulations of law, and establish technology database.
10. Inspect and resolve complaints or denunciations or violations against regulations of the law on technology transfer.
11. Implement international cooperation programs on technology transfer within its competence.
12. Propagate and disseminate the law on technology transfer.
13. Prepare the Government's reports on technology transfer and every 05 years, prepare reports on nationwide technology innovation.
14. Fulfill other duties as prescribed by law.

Article 55. Responsibility of ministries and ministerial-level agencies

1. Ministries and ministerial-level agencies shall, within their competence, cooperate with Ministry of Science and Technology in performing state management of technology transfer. To be specific:
 - a) Propose technologies to the List of technologies encouraged for transfer, the List of technologies restricted from transferring and the List of technologies banned from transferring;
 - b) Formulate plans, schemes, programs, measures, mechanisms and/or policies on promotion of technology transfer, application and innovation;
 - c) Inspect technologies and quality of products, commodities or services created from the technology transfer, application and/or innovation.
2. Organize the appraisal, selection and announcement of technologies created from findings on scientific research and technological development, and facilitate enterprises' receipt of transfer of such technologies in sectors under their management.

3. Facilitate technology transfer activities, especially technologies encouraged for transfer and technology transfer activities performed in regions where the technology transfer is encouraged.
4. Appraise, comment on and inspect technologies applied to investment projects and technology transfer as regulated by law.
5. Implement international cooperation programs on technology transfer within their competence.
6. Make annual statistics on technology transfer, application and innovation, and send them to the Ministry of Science and Technology.

Article 56. Responsibility of Provincial-level People's Committees

Each Provincial-level People's Committee shall, within the ambit of its assigned functions and powers, perform state management of technology transfer activities and assume responsibility to:

1. Promulgate within its competence or request the competent authorities to promulgate, and organize the implementation of legislative documents, strategies, policies, schemes, programs and/or plans on technology transfer, application and/or innovation in the province;
2. Appraise or comment on technologies applied to investment projects in accordance with regulations of law;
3. Facilitate local organizations and individuals' technology transfer, application and innovation activities;
4. Timely prevent the transfer of plant varieties or domestic animal breeds which are not yet recognized as technological advances; agricultural materials which are not allowed to be manufactured, traded or sold under regulations of law;
5. Organize the inspection or appraisal of local technology transfer activities; establish and manage database, information and statistics on technology transfer, application and innovation activities; submit statistics on technology transfer, application and innovation activities to competent science and technology authorities;
6. Propagate, disseminate and instruct the implementation of the law on technology transfer;
7. Inspect and resolve complaints or denunciations or violations against regulations of the law on technology transfer within its competence.

Article 57. Statistics on technology transfer, application and innovation

The statistical works on technology transfer, application and innovation are performed in accordance with regulations of the law on statistics and the following provisions:

1. Statistics on technology transfer, application and innovation are included in annual statistics and reports of science and technology authorities.

Every year, Ministry of Science and Technology shall take charge of and cooperate with ministries and ministerial-level agencies to make statistics on technology transfer, application and innovation nationwide;

2. Ministry of Science and Technology shall cooperate with the central statistics office affiliated to the Ministry of Planning and Investment to establish the statistical indicator system and collect statistical information about enterprises' technology transfer, application and innovation; cooperate with central tax agency and central customs agency affiliated to the Ministry of Finance to make connection and sharing of statistical data on technology transfer, application and innovation;

3. Each Provincial-level People's Committee shall make statistics on technology transfer, application and innovation in such province;

4. Organizations and individuals that are requested to provide information about technology transfer, application and innovation must provide accurate, correct and sufficient information within the time limit prescribed by statistics offices;

5. Ministry of Science and Technology shall promulgate detailed regulations on statistics on technology transfer, application and innovation.

Article 58. Responsibility of representative missions of Vietnam in foreign countries for technology transfer

Representative missions of Vietnam in foreign countries shall search for technologies, support and promote technology transfer activities, and facilitate transfer of technologies from foreign countries to Vietnam and vice versa.

Chapter VI

IMPLEMENTATION PROVISIONS

Article 59. Entry into force

1. This Law shall take effect as of July 01, 2018.

2. The Law on Technology Transfer No. 80/2006/QH11 shall be null and void from the date of entry into force of this Law.

Article 60. Transition

1. In case technology transfer agreements which have been concluded before the date of entry into force of this Law require an extension after the date of entry into force of this Law, procedures for registration of extension shall be carried out in accordance with this Law.

2. Applications for registration of technology transfer agreements which have been submitted before the date of entry into force of this Law but not yet processed shall be treated in accordance with regulations of the Law on Technology Transfer No. 80/2006/QH11.

3. Organizations that provide technology appraisal, valuation and/or assessment services and are established before the date of entry into force of this Law must carry out procedures for certificate of operation eligibility with regulatory authorities within 12 months from the date of entry into force of this Law.

This Law has been ratified in the 3rd session of the 14th National Assembly of the Socialist Republic of Vietnam dated June 19, 2017.

**CHAIRMAN OF THE NATIONAL
ASSEMBLY**

Nguyen Thi Kim Ngan

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