

# LAW ON SCIENCE AND TECHNOLOGY

*(No. 21/2000/QH10 of June 9, 2000)*

*Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam;*

*This Law provides for scientific and technological organizations as well as activities,*

## ***Chapter I*** **GENERAL PROVISIONS**

### ***Article 1. Scope of regulation***

This Law provides for scientific and technological organizations, individuals involved in scientific and technological activities and the organization of scientific and technological activities.

### ***Article 2 Interpretation of terms***

In this Law, the following terms shall be construed as follows:

- 1. Science* is a system of knowledge about phenomena, things and laws of the nature, social and thought;
- 2. Technology* is a combination of measures, processes, skills., know-how, implements and means used to turn resources into products;
- 3. Scientific and technological activities* include scientific research, technological research and development, scientific and technological services, innovation promotion, technical improvement, production rationalization and other activities aimed to develop science and technology;
- 4. Scientific research* is the activity of discovering and inquiring into phenomena, things and laws of the nature, society and thought, and creating solutions for practical application. Scientific research includes basic research and applied research;
- 5. Technological development* is the activity aimed to create and perfect new technologies or new products. Technological development includes experimental development and trial production;
- 6. Experimental development* is the activity of applying the results of scientific research to experiments in order to create new technologies or new products;

7. *Trial production* is the activity of applying the results of experimental development to small-scale trial production in order to perfect new technologies or new products before putting them into production and life;

8. *Scientific and technological services* are activities which serve scientific research and technological development, activities related to intellectual property and technology transfer; services on information, consultancy, personnel training and fostering, popularization and application of scientific and technological knowledge as well as practical experiences.

### ***Article 3. Objectives of scientific and technological activities***

The scientific and technological activities aim to build an advanced and modern science and technology so as to develop the production forces and raise the managerial skills; rationally use natural resources and protect the environment; step up the national industrialization and modernization; build an advanced culture deeply imbued with national identities; build the new-typed Vietnamese; contribute to the fast and sustainable socio-economic development, raise the quality of the people's life, and ensure the national defense and security

### ***Article 4. Tasks of scientific and technological activities***

Scientific and technological activities have the following tasks:

1. To creatively apply and develop the theory of Marxism-Leninism and Ho Chi Minh thought; build up Vietnam's theory on socialism and path to socialism; build up scientific grounds for elaboration of undertakings, policies and legislation on socio-economic development, ensuring national defense and security; contribute to the building of an advanced national education and Vietnamese of new type; inherit and bring into play traditional values of the national culture, absorb the quintessence of mankind's culture and, contribute to the world's cultural and scientific treasure;

2. To raise the scientific and technological capacity so as to master advanced and high technologies as well as advanced managerial measures rationally use natural resources, protect the environment and people's health; promptly forecast, prevent, combat, restrict and overcome consequences of natural calamities;

3. To absorb the world's scientific and technological achievements in order to create and fruitfully apply new technologies; create new products with high competitiveness; develop Vietnam's science and technology to the advanced level in the region and approach the world's level, which shall serve as a firm basis for the development of modern industries; and boost the popularization and application of scientific and technological achievements to production and life.

### ***Article 5. Principles of scientific and technological activities***

The following principles must be ensured in scientific and technological activities:

1. Scientific and technological activities must serve the task of socio-economic development, the maintenance of national defense and security;
2. The building and promotion of internal scientific and technological resources be combined with the selective absorption of the world's scientific and technological achievements in accordance with Vietnam's practical conditions;
3. Natural sciences, technical sciences and technologies shall be combined with social sciences and humanities, scientific research and technological development shall be linked to education and training as well as to production, business and development of the technological market;
4. The creative labor capability of all organizations and individuals shall be brought into full play;
5. Being honest and objective, heightening the professional ethics, freedom to creation, democracy, self-control and self-responsibility.

### ***Article 6. The State's responsibility for scientific and technological activities***

1. The State shall elaborate and implement the following policies and measures to develop science and technology:
  - a. Ensuring that science and technology shall be the foundation and an important content in the elaboration and implementation of strategies, planning, plans, programs and projects, on socio-economic development, and national defense and security maintenance;
  - b. Making investment in building and development of the internal capacity, personnel training, fostering and well treating of science and technology talents; intensifying international cooperation; encouraging all organizations and individuals to invest in scientific and technological development; efficiently using all scientific and technological resources;
  - c. Ensuring the stable and constant development of basic research in sciences.. particularly in a number of Vietnam's particular scientific domains; stepping up the applied research in the fields of science and technology, paying attention to development of technologies, especially high technologies and technologies of important significance;

d. Promoting the application of the results of scientific and technological activities; developing scientific and technological services; building and developing the technological market; encouraging activities of innovation promotion, technical improvement, production rationalization and popularization of scientific and technological knowledge as well as practical experiences; and creating favorable conditions for scientific and technological societies to well fulfill their responsibilities;

c. Encouraging activities of scientific research and technological development as well as popularization and application of scientific and technological achievements, strengthening scientific and technological human sources, and transferring technologies to the grassroots, paying attention to the areas meeting with difficult or exceptionally difficult socio-economic conditions.

2. On the basis of particularities of each scientific and technological field, the Government shall specify the application of the provisions of this Law to social sciences and humanities, natural sciences, technical sciences and technologies with a view to ensuring the synchronous development of all scientific and technological domains.

***Article 7. Responsibilities of organizations and individuals for scientific and technological activities***

1. All organizations and individuals have the responsibility to take part in the cause of scientific and technological development; the popularization of knowledge, the raising of the people's intellectual level, personnel training and fostering of talents in science and technology; innovation promotion, technical improvement and production rationalization; as well as in the application of scientific and technological achievements to the socio-economic development and the maintenance of national defense and security.

2. Scientific and technological societies shall have to organize and encourage their members to take part in consultancy, criticism. social evaluation and conduct scientific and technological activities.

***Article 8. Strictly prohibited acts in scientific and technological activities***

To strictly prohibit the following acts:

1. Taking advantage of scientific and technological activities to distort or oppose undertakings and policies of the Communist Party of Vietnam and laws of the State of the Socialist Republic of Vietnam; disrupting the great national unity;

2. Taking advantage of scientific and technological activities to infringe upon the State's interests or the legitimate rights and interests of organizations and/or individuals; causing harm to natural resources, environment and/or people's health; acting against the morals and fine traditions and customs of the nation;
3. Infringing upon the intellectual property rights; appropriating, illegally assigning or transferring scientific and technological results; disclosing scientific and technological materials or results on the list of the State secrets; committing frauds and/or forgery in scientific and technological activities;
4. Hindering lawful scientific and technological activities of other organizations and/or individuals.

## *Chapter II*

### **SCIENTIFIC AND TECHNOLOGICAL ORGANIZATIONS, INDIVIDUALS INVOLVED IN SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES**

#### *Section 1. SCIENTIFIC AND TECHNOLOGICAL ORGANIZATIONS*

##### *Article 9. Scientific and technological organizations*

1. Scientific and technological organizations include:
  - a. Scientific research institutions, scientific research and technological development institutions (hereafter referred collectively to as research and development institutions);
  - b. Universities, institutes, colleges (hereafter referred collectively to as universities);
  - c. Scientific and technological service organizations.
2. On the basis of the tasks of socio-economic development, ensuring the national defense and security maintenance as well as the scientific and technological development plan in each period, the Government shall work out the planning of the system of scientific and technological organizations throughout the country so as to ensure the synchronous development of all scientific and technological domains and fruitfully conduct scientific and technological activities.

##### *Article 10. Research and development institutions*

1. The research and development institutions shall be organized in forms of research and development institutes, research and development centers, laboratories, research stations, observation stations, experiment stations and other research and development establishments.

2. Depending on their objectives as well as organization and operation scale, the research and development institutions are classified into:

a. The national-level research and development institutions;

b. The research and development institutions of ministries, ministerial-level agencies and agencies attached to the Government (hereafter referred collectively to as the ministerial-level research and development institutions); the research and development institutions of the provinces and centrally-run cities (hereafter referred collectively to as the provincial-level research and development institutions); the research and development institutions of other State agencies, political organizations or socio-political organizations at the central level;

c. The research and development institutions at the grassroots level.

3. The competence to set up the research and development institutions is stipulated as follows:

a. The national-level research and development institutions shall be set up by decisions of the Government;

b. The ministerial and provincial-level research and development organizations shall be set up by decisions or authorization of the Prime Minister; the research and development institutions of other State agencies, political organizations or socio-political organizations at the central level shall be set up by decisions of such agencies or organizations.

c. The research and development institutions at the grassroots level shall be set up and operate according to law provisions.

The authority that has the competence to set up a research and development institution shall be competent to decide the merger, division, splitting, dissolution or termination of operations of such research and development institution as prescribed in this Clause.

***Article 11. Tasks of the research and development institutions***

1. The national-level research and development institutions shall perform mainly the State's priority and key scientific and technological tasks, aimed to provide scientific foundations for the elaboration of undertakings, policies and laws, create new scientific and technological results of important significance for socio-economic development and the national defense and security maintenance; train personnel and foster talents for science and technology.

2. The ministerial and provincial-level research and development institutions shall perform mainly scientific and technological tasks in service of the attainment of the branch and local socio-economic development targets, train personnel and foster talents for science and technology.

3. The research and development institutions of other central-level State agencies prescribed at Point b, Clause 2, Article 10 of this Law shall mainly conduct scientific and technological activities according to their respective functions, tasks and powers; the research and development institutions of political organizations and socio-political organizations at the central level shall mainly conduct scientific and technological activities according to their own objectives and respective statutes.

4. The research and development institutions at the grassroots level shall mainly conduct scientific and technological activities according to the targets and tasks determined by their respective founding organizations and/or individuals.

#### ***Article 12. Scientific and technological tasks of universities***

1. Universities are tasked to conduct scientific research and technological development activities, combine training with scientific research and production as well as scientific and technological services according to the provisions of this Law, the Education Law and other law provisions.

2. Universities shall also perform the tasks of basic research as well as the State's priority and key scientific and technological tasks and conduct scientific research on education.

#### ***Article 13. Tasks of scientific and technological service organizations***

Scientific and technological service organizations are tasked to conduct activities in service of scientific research and technological development; activities related to intellectual property and technology transfer; and provide services on information, consultancy, personnel training and fostering, popularization and application of scientific and technological knowledge as well as practical experiences.

***Article 14. Conditions for establishment and registration of operation of scientific and technological organizations***

The research and development institutions, scientific and technological service organizations shall be set up when the following conditions are met:

1. Their objectives and operation orientations conform to the provisions of law;
2. They have organization and operation statutes;
3. Their scientific and technological personnel as well as material-technical bases meet the requirements according to their objectives, orientations as well as organization and operation statutes.

The research and development institutions, scientific and technological service organizations shall have to register their operations at the competent State agencies according to the provisions of law.

***Article 15. Rights of scientific and technological organizations***

Scientific and technological organizations shall have the following rights:

1. To enjoy autonomy and take self-responsibility in conducting the registered scientific and technological activities; conclude scientific and technological contracts; train personnel and foster talents for science and technology; and register participation in selection for performance of scientific and technological tasks;
2. To set up dependent research and development institutions, scientific and technological service organizations and enterprises according to the provisions of this Law and other law provisions;
3. To enter into cooperation or joint venture with, and receive aids from, organizations and/or individuals; contribute capital in cash, assets or value of intellectual property rights in order to conduct scientific and technological activities as well as production and business activities according to law;
4. To have their intellectual property rights protected; transfer or assign scientific and technological results in accordance with the provisions of law;
5. To announce scientific and technological results according to the provisions of the Press Law, the Publication Law and other provisions of law;
6. To have other rights as provided for by law.



## ***Article 16. Obligations of scientific and technological organizations***

Scientific and technological organization shall have the following obligations:

1. To perform the concluded scientific and technological contracts as well as scientific and technological tasks assigned by the competent agencies and/or organizations; efficiently use investment finding for scientific and technological development and transfer the results of scientific research and technological development for which the State budget has been used;
2. To contribute to building and developing scientific and technological potential of the country; well as the legitimate rights and interests of individuals involved in scientific and technological activities within their respective organizations; keep scientific and technological secrets as prescribed by law;
4. To exercise democracy, equality and publicity in the assignment and performance of scientific and technological tasks;
5. To perform other obligations prescribed by law.

### *Section 2. RIGHTS AND OBLIGATIONS OF*

#### *INDIVIDUALS INVOLVED IN SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES*

## ***Article 17. Rights of individuals involved in scientific and technological activities***

Individuals involved in scientific and technological activities shall have the following rights:

1. To conduct scientific and technological activities by themselves or in cooperation with organizations and/ or other individuals; conclude scientific and technological contracts; set up scientific and technological organizations in a number of fields according to the Government's stipulations; and register participation in the selection for the performance of scientific and technological tasks;
2. To have the industrial property rights protected; enjoy equality and freedom to creation in scientific and technological activities; transfer or assign scientific and technological results according to the provisions of law;

3. To announce the results of scientific and technological activities according to the provisions of the Press Law, the Publication Law and other law provisions;
4. To take part in scientific and technological organizations and societies as well as in training, consultancy, scientific and technological conferences; contribute capital in cash, assets and value of the industrial property rights to scientific and technological activities as well as production and business, and receive financial supports for scientific and technological activities according to the provisions of law;
5. To propose opinions for elaboration of the State's policies, laws and socio-economic development plans to the competent authorities; as well as the scientific and technological development plans of scientific and technological organizations of which they are members, and take part in the supervision of the implementation thereof;
6. To have other rights as provided for by law.

***Article 18. Obligations of individuals involved in scientific and technological activities***

Individuals involved in scientific and technological activities shall have the following obligations:

1. To contribute their intellects and talents to the cause of scientific and technological development, socio-economic development, and the maintenance of national defense and security;
2. To perform the concluded scientific and technological contracts as well as scientific and technological tasks assigned by the competent agencies and/or organizations; transfer the results of scientific research and technological development funded with the State budget according to the stipulations of the competent State agencies;
3. To keep scientific and technological secrets according to law provisions; protect interests of the State and society;
4. To perform other obligations prescribed by law.

*Chapter III*

**SCIENTIFIC AND TECHNOLOGICAL ACTIVITIES**

*Section 1. ORGANIZATION OF PERFORMANCE OF SCIENTIFIC AND  
TECHNOLOGICAL TASKS*

***Article 19. Determination of scientific and technological tasks and modes of the implementation thereof***

1. On the basis of the State's strategies and plans for socio-economic development as well as national defense and security maintenance, the Government shall set targets and decide plans for scientific and technological development, priority fields as well as major scientific and technological tasks.
2. The ministries, ministerial-level agencies and agencies attached to the Government shall base themselves on the scientific and technological development targets and plans as well as the assignment of the Government to determine scientific and technological tasks in service of the development targets of their respective branches and domains.
3. The People's Committees of the provinces and centrally-run cities shall base themselves on the scientific and technological development targets and plans as well as the responsibility assignment by the Government and the socio-economic development plans of their respective localities to determine scientific and technological tasks in service of the local socioeconomic development objectives.
4. In addition to the agencies and organizations prescribed at Clauses 1, 2 and 3 of this Article, other agencies and organizations shall base themselves on the Government's scientific and technological targets and plans as well as the practical requirements to determine their respective scientific and technological tasks.
5. Scientific and technological tasks defined in Clauses 1, 2, 3 and 4 of this Article must be determined on the basis of consultative opinions of the scientific and technological councils. The establishment, tasks and powers of the scientific and technological councils shall be decided by the heads of agencies and organizations at different levels. The scientific and technological councils shall comprise prestigious scientists and administrators with professional qualifications compatible to their assigned tasks. The councils shall take responsibility for their consultancy.
6. Scientific and technological tasks financed by the State budget shall be organized in form of programs, subjects, projects and other forms, and performed by the mode of selection or direct assignment with financial support from the scientific and technological development funds according to the Government's stipulations.

***Article 20. Selection of organizations and individuals to perform scientific and technological tasks***

1. The competent scientific and technological State management agencies at all levels shall have to announce on the mass media lists of scientific and technological tasks to be carried out by mode of selection, ensuring that all organizations and individuals may register and participate therein.
2. The selection must ensure the openness, fairness, democracy and objectivity; the selection results thereof must be made public.
3. The heads of the State management agencies in charge of science and technology at all levels shall set up councils for the selection of organizations and/ or individuals to perform scientific and technological tasks and define tasks and powers of such councils. The councils shall have to provide consultancy and take responsibility therefore. The councils' members must have the capabilities, ethical quality, and professional qualifications compatible with the scientific and technological tasks.

***Article 21. Directly assigned scientific and technological tasks***

The competent State management agencies in charge of science and technology shall select organizations and/or individuals that have the capabilities, ethical quality and proper professional qualifications for direct assignment to perform particular scientific and technological tasks and shall take responsibility for such assignment.

***Article 22 Scientific and technological tasks to be performed with financial support from scientific and technological development funds***

Organizations and individuals may propose scientific and technological tasks to the scientific and technological development funds so that the latter considers the financial support for the performance of such tasks. The consideration of financial supports shall comply with the organization and operation charter of the scientific and technological development funds.

***Article 23. Scientific and technological contracts***

1. Scientific and technological tasks as well as scientific and technological service activities shall be carried out through scientific and technological contracts.
2. Scientific and technological contracts include the following types:
  - a. Scientific research and technological development contracts'.
  - b. Technology transfer contracts;
  - c. Scientific and technological service contracts.

3. On the basis of the law provisions on contracts, the Government shall specify different types of contract prescribed in Clause 2 of this Article.

***Article 24. Evaluation and after-test acceptance of the results of performance of scientific and technological tasks***

1. The evaluation and after-test acceptance of the results of performance of scientific and technological tasks must be based on the contents of scientific and technological contracts, ensuring the objectivity and accuracy on the basis of consultative opinions of the specialized scientific and technological councils, which shall be set up and provided with tasks and powers by the heads of agencies of all levels which exercise the State management over science and technology. The specialized scientific and technological councils are composed of capable experts with professional qualifications compatible with their assigned tasks. The councils shall take responsibility for the results of their evaluation and after-test acceptance.

2. The scientific research and technological development results, which are not brought about through the use of the State budget but widely applied throughout the country, in a branch or locality or affect the national interests, defense, security, environment or people's health and life, must also be expertised before application by the competent agencies which exercise the State management over science and technology.

***Article 25. Registration, donation, presentation and keeping of scientific research and technological development results***

1. The results of scientific research and technological development funded with the State budget must be registered at the competent State agencies and kept at the State archives.

2. The results of scientific research and technological development not funded with the State budget may be registered at, or donated or presented to, the competent State agencies and kept at the State archives.

***Article 26. Ownership right and copyright over the scientific research and technological development results***

1. Organizations and/or individuals investing in the performance of scientific and technological tasks shall be the owners of the scientific research and technological development results; organizations and/ or individuals directly carrying out scientific and technological works shall be the authors of such works, except where it is otherwise agreed upon in the scientific and technological contracts by the parties.

2. The competent agencies which exercise the State management over science and technology shall decide the use, transfer and assignment of the results of scientific research and technological development funded with the State budget.
3. The owners of the results of scientific research and technological development not funded with the State budget shall be entitled to use, transfer or assign such results according to the provisions of law.
4. The authors of scientific and technological works may enjoy rights prescribed by this Law and other law provisions.

*Section 2. APPLICATION OF SCIENTIFIC RESEARCH AND TECHNOLOGICAL DEVELOPMENT RESULTS*

***Article 27. Encouragement of the application of scientific research and technological development results***

1. The State shall work out policies and measures to encourage all organizations and individuals to actively apply the scientific research and technological development results to socio-economic development, national defense and security maintenance and improvement of people's material and spiritual life.
2. Organizations and individuals that apply the scientific research and technological development results to the renewal of socio-economic management, technological renovation and raising of the products' competitiveness shall be entitled to tax and credit preferences as well as other preferences.
3. Political organizations, socio-political organizations, social organizations and socio-professional organizations shall, according to their functions and tasks, encourage their members to apply scientific research and technological development results to innovation promotion, technical improvement and production rationalization.
4. The State shall create conditions for scientific and technological organizations as well as individuals involved in scientific and technological activities to transfer the results of scientific research and technological development for their widespread application to production and life.
5. The owners, authors and successful appliers of scientific research and technological development results shall benefit from the application of such results to production

and life under scientific and technological contracts and according to the provisions of law.

***Article 28. Application of scientific research and technological development results to the renewal of policies and socio-economic management mechanism***

The State shall work out policies to step up the application of scientific research and technological development results to building models and solutions for the national industrialization and modernization process; renew and perfect the socio-economic management mechanism at all levels and in all branches; build an advanced culture deeply imbued with national identities and new-typed Vietnamese.

***Article 29. Application of scientific research and technological development results by enterprises***

The State encourages enterprises to boost the application of scientific research and technological development results, especially the application of home-made technologies. Enterprises applying the home-made technologies shall enjoy preferences provided for by the Government.

***Article 30. Application of scientific research and technological development results to agriculture and rural development***

1. The State shall work out priority policies and measures to step up the wide application of scientific and technological achievements so as to boost the agricultural industrialization and modernization as well as rural development, with attention being paid to geographical areas meeting with difficult or exceptionally difficult socio-economic conditions.

2. The People's Committees at all levels shall have to create favorable conditions for organizations and individuals to transfer technologies, organize the wide application of scientific and technological achievements to agriculture and rural development, and provide scientific and technological services suitable to farmers' demands and conditions.

***Article 31. Investment projects, socio-economic development programs***

The elaboration and implementation of investment projects and socio-economic development programs must be based on the scientific grounds, comprise necessary scientific research and technological development items', and must be evaluated scientifically and technologically according to the Government's stipulations.

***Article 32. Development of high technologies***

1. The State shall work out policies for development of high technologies, make concentrated investment, intensify international cooperation for hi-tech research and development; build a number of hi-tech parks in order to raise the technological capacity and develop hi-tech industries of the country.
2. Scientific and technological organizations and enterprises applying high technologies and producing hi-tech products shall enjoy special tax and credit preferences as well as other preferences.

***Article 33. Building and development of the technological market***

The State shall adopt the following policies and measures to build and develop the technological market:

1. Encouraging all activities of assigning or transferring technologies on the principle of voluntariness equality and mutual benefit;
2. Perfecting policies and legislation on industrial property ownership and technology transfer;
3. Applying preferential policies to products being under trial production by new technologies; products made by new technologies applied for the first time in Vietnam; scientific and technological consultancy activities; imported hi-tech equipment and the technology export;
4. Applying the reward regime to labor collectives and individuals that have patents, innovations or technical improvements, rationalize production and apply newly-transferred technologies;
5. Scientific and technological organizations are allowed to setup dependent scientific and technological service organizations and/or enterprises; and enter into cooperation or joint venture with other organizations and/or individuals in order to conduct the technology transfer activities.

**Chapter IV**

**MEASURES TO ENSURE SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT**

*Article 34. Training personnel fostering talents for science and technology*



1. Annually, the State reserves a budget amount for scientific and technological personnel training and retraining at home and abroad, paying attention to the training and fostering of talents, people with high professional qualifications and skilled technicians.

2. Organizations and individuals shall be given conditions for self-training and participation in scientific and technological personnel training and talent fostering, shall send or grant scholarships to Vietnamese citizens for study at home or abroad to raise their professional qualifications under the Government's stipulations.

### ***Article 35. Employment of scientific and technological personnel***

1. The State shall well treat talents and give them all favorable conditions for creation and devotion; work out policies and measures to attract talents to performance of the State's priority and key scientific and technological tasks; adopt incentive policies for the training and employment of female laborers in scientific and technological activities; build strong scientific and technological collectives up to regional and international standards; apply the regime of treatment commensurate with the contributions of and the regime of special preferential treatment for individuals who have particularly excellent scientific and technological works and have made great contributions to the country.

2. Organizations and individuals employing scientific and technological personnel shall have to arrange and employ them according to their capabilities and fortes and create favorable conditions for them to promote their professional capacities for the performance of scientific and technological tasks.

3. The State shall work out appropriate policies on wages, working and housing conditions for individuals involved in scientific and technological activities.

4. The Government and the People's Committees at all levels shall have to work out and implement policies of preference for individuals involved in scientific and technological activities at the grassroots level, paying attention to geographical areas meeting with difficult and exceptionally difficult socio-economic conditions.

### ***Article 36. Scientific posts***

1. The scientific posts shall be effected uniformly throughout the country, including assistant researcher, researcher, principal researcher and senior researcher. Individuals involved in scientific and technological activities and taking part in graduate or post-graduate teaching or training shall be considered for the award of the professor or associate professor title according to the provisions of the Education Law.

2. People holding the doctor degree or having outstanding scientific and technological research projects or winning high scientific and technological prizes shall be considered with priority for appointment to high scientific posts.

The Government shall specify criteria and procedures for consideration and appointment to scientific posts.

***Article 37. Scientific and technological development investment***

1. Investment in science and technology is the development investment. The State gives top priority to the arrangement of budget for science and technology, ensuring that the State budget proportion for science and technology increase gradually according to the requirements of the scientific and technological development cause.

2. The finance agencies shall have to fully and promptly allocate science and technology funding in accordance with the scientific and technological plan tempo. The agencies which exercise the State management over science and technology shall have to manage and efficiently use the State budget invested in science and technology.

3. The State budget invested in science and technology shall be used for the following purposes:

a. Performing priority and key scientific and technological tasks as well as scientific and technological tasks in service of the common interests of the society;

b. Conducting orientated basic research in various scientific fields;

c. Maintaining and developing scientific and technological potentials;

d. Being allocated to the State's scientific and technological development funds according to the provisions of Articles 39 and 40 of this Law;

e. Building material and technical bases for the State's research and development institutions;

f. Supporting enterprises in conducting applied research and technological development in priority and key fields.

4. The State encourages organizations and individuals to invest in science and technology.

***Article 38. Enterprises investing in scientific and technological development***

1. Enterprises are entitled to reserve part of their capital for investment in scientific and technological development, aimed at renewing technologies and raising the products' competitiveness. The enterprises' scientific and technological development investment capital shall be accounted in their production costs.
2. Enterprises may set up scientific and technological development funds to take initiative in scientific and technological development investment.
3. Enterprises that make investment in scientific and technological research in the State's priority and key fields shall be considered for partial financial support for such research.

***Article 39. The national scientific and technological development fund***

1. The Government shall set up the national scientific and technological development fund to be used for the following purposes:
  - a. Financially supporting the basic research;
  - b. Financially supporting the urgent or newly-arising scientific and technological tasks of important scientific and practical significance, as well as scientific and technological tasks with good prospect but also risks;
  - c. Providing low-interest or non-interest loans for application of scientific research and technological development results to production and life.
2. The national scientific and technological development fund shall be created from the following sources:
  - a. Capital initially allocated in lump-sum and capital supplemented annually from the State budget reserved for scientific and technological development;
  - b. Voluntary contributions, donations and presents of organizations and/or individuals;
  - c. Other sources.
3. The organization and operation charter of the national scientific and technological development fund shall be stipulated by the Government.

***Article 40. Scientific and technological development funds of the ministries, provinces or centrally-run cities***

1. The ministries, ministerial-level agencies, agencies attached to the Government and People's Committees of the provinces and centrally-run cities shall set up scientific and technological development funds to meet their scientific and technological development requirements.

2. The scientific and technological development funds prescribed in Clause I of this Article shall be created from the following sources:

a. Capital initially allocated in lump-sum from the State budget reserved for scientific and technological development of the ministries, ministerial-level agencies, agencies attached to the Government and provinces and centrally-run cities; capital supplemented annually from the results of scientific and technological activities;

b. Voluntary contributions, donations and presents of organizations and/or individuals;

c. Other sources.

3. The promulgation of the organization and operation charters of the funds prescribed in Clause I of this Article shall be stipulated by the Government.

***Article 41. Scientific and technological development funds of organizations or individuals***

1. The State encourages organizations and individuals to set up scientific and technological development funds under the provisions of law. The scientific and technological development funds are non-profitable organizations that provide nonrefundable or refundable aids, low-interest or non-interest loans in order to support organizations and individuals involved in scientific and technological activities.

2. The scientific and technological development funds of organizations or individuals shall be created from the following sources:

a. Capital contributed by founding organizations or individuals, which is not originated from the State budget;

b. Voluntary contributions, donations and presents of organizations and/or individuals;

c. Other sources.

3. The organization and operation charters of the funds prescribed in Clause 1 of this Article shall be decided by the founding organizations or individuals and must be registered at the competent State management authorities.

***Article 42. Tax policies for scientific and technological activities***

1. The incomes from the performance of scientific research and technological development contracts shall not be subject to the enterprise income tax.

2. Machinery equipment, spare parts, supplies and transport means, which cannot be produced in the country; technologies which cannot be created in the country; documents, books and newspapers imported for direct use in scientific research and technological development shall not be subject to import tax and value added tax.

3. Products being in the period of trial production; products made by new technologies applied for first time in Vietnam; scientific and technological consultancy activities; technology transfer, imported hi-tech equipment; and the technology export shall enjoy tax preferences prescribed by law.

4. Enterprises renewing technologies or raising the technological standards shall enjoy tax preferences prescribed by law.

***Article 43. Credit policy for scientific and technological activities***

1. Organizations and individuals borrowing medium or long-term capital to conduct scientific and technological activities shall enjoy preferential interest rates and terms.

2. Scientific and technological programs, subjects or projects demanding large capital amounts shall be given priority in consideration for the use of the official development assistance (ODA).

The Government shall specify credit preferences for scientific and technological activities.

***Article 44. Material-technical bases for scientific and technological development***

The Government shall work out plans to mobilize capital sources for investment in the construction of material and technical bases of important scientific and technological organizations; encourage organizations and individuals to invest in building material and technical bases in service of scientific research and technological development; make investment in building a number of key laboratories up to regional and international standards in the priority and key scientific and

technological fields; and issue the Regulation on the use of key laboratories to attract scientists to work therein.

***Article 45 Scientific and technological information***

The Government shall invest in building a modern national system of scientific and technological information, ensuring full, accurate and timely information on important scientific and technological achievements at home and in the world; issue the technological information, and annually announce the list and results of implementation of domestic scientific and technological tasks.

***Chapter V***

**INTERNATIONAL COOPERATION ON SCIENCE AND TECHNOLOGY**

***Article 46. Development of international cooperation on science and technology***

1. The State shall expand exchanges and international cooperation on science and technology; create conditions for Vietnamese organizations and individuals to enter into scientific and technological cooperation with foreign organizations and/or individuals as well as international organizations; make full use of the assistance from foreign countries and international organizations on the principle of respect for each other's independence and national sovereignty, equality and mutual benefits.

2. The State shall adopt policies to attract Vietnamese intellectuals residing overseas and the world's brilliant experts to take part in scientific and technological development in Vietnam.

***Article 47. Promotion of international cooperation on science and technology***

1. Vietnamese scientific and technological organizations as well as individuals involved in scientific and technological activities may receive aids, join scientific and technological organizations or societies, take part in research, training, consultancy or scientific and technological conferences of international organizations or foreign organizations and/or individuals; and enter into cooperation for the performance of Vietnam's scientific and technological tasks in foreign countries.

2. Overseas Vietnamese, international organizations foreign organizations and/or individuals may set up scientific and technological development funds in Vietnam under the Government's stipulations; and may make contributions to the setting up of

Vietnam's scientific and technological development funds prescribed in Articles 39, 40 and 41 of this Law.

3. Overseas Vietnamese, international organizations, foreign organizations and/or individuals that enter into cooperation for scientific and technological development in Vietnam shall be encouraged and have their legitimate rights and interests protected by the State.

The Government shall detail the implementation of this Article.

***Article 48. Foreign-invested scientific and technological organizations***

1. Overseas Vietnamese, international organizations, foreign organizations and/or individuals that establish or cooperate with Vietnamese organizations and/or individuals to establish scientific and technological organizations in Vietnam shall enjoy tax and land-use preferences as well as other preferences under the provisions of laws.

2. The State shall work out policies and measures to efficiently use foreign loans and aid for investment in scientific and technological development.

The Government shall special the organization and operation of scientific and technological organizations defined in this Article.

*Chapter VI*

**STATE MANAGEMENT OVER SCIENCE AND TECHNOLOGY**

***Article 49. Contents of State management over science and technology***

The contents of State management over science and technology include:

1. Elaborating and directing the implementation of scientific and technological strategies, policies, planning, plans and tasks;
2. Promulgating legal documents on science and technology and organizing the implementation thereof;
3. Organizing the science and technology management apparatus;
4. Organizing and guiding the registration of operations of scientific and technological organizations as well as scientific and technological development funds;

5. Protecting the intellectual property rights;
6. Providing for the evaluation, after-test acceptance, application and announcement of the results of scientific research and technological development; scientific posts; scientific and technological prizes and other forms of acknowledgement of scientific and technological contributions of organizations and individuals;
7. Organizing and managing the scientific and technological evaluation work;
8. Organizing and directing the scientific and technological statistical and information work;
9. Organizing and directing the personnel training and fostering to raise their professional skills as well as scientific and technological qualifications;
10. Organizing and managing international cooperation on science and technology;
11. Examining and inspecting the observance of the legislation on science and technology; settling disputes, complaints and denunciations in scientific and technological activities; handling violations of the legislation on science and technology.

***Article 50. Agencies exercising the State management over science and technology***

1. The Government shall exercise the unified State management over science and technology.

Annually, the Government shall report to the National Assembly on the implementation of policies and measures for scientific and technological development; the use of the State budget for investment in scientific and technological development; and the results of scientific and technological activities.

2. The Ministry of Science, Technology and Environment shall take responsibility before the Government for exercising the State management over science and technology.

3. The ministries, ministerial-level agencies and agencies attached to the Government shall take responsibility for the State management over science and technology according to the Government's assignment.

The Government shall specify the responsibilities of ministries, ministerial-level agencies and agencies attached to the Government for coordination with the Ministry



of Science, Technology and Environment in exercising the unified State management over science and technology.

4. The People's Committees of all levels shall exercise the State management over science and technology in their respective localities according to law provisions.

***Article 51. Scientific and technological statistics***

The system of scientific and technological statistical criteria shall be uniformly set for the whole country. The ministries, ministerial-level agencies, agencies attached to the Government, the People's Committees of all levels, scientific and technological organizations and individuals involved in scientific and technological activities shall have to fully and honestly report scientific and technological statistical data to the competent agencies which exercise the State management over science and technology according to the Government's division of responsibility

***Article 52. Science and technology inspectorate***

1. The science and technology inspectorate is the specialized science and technology inspectorate. The organization and operation of the science and technology inspectorate shall be stipulated by the Government.

2. The science and technology inspectorate shall have the tasks:

a. To inspect the implementation of policies and legislation on science and technology;

b. To verily conclude and propose settlement of complaints and denunciations about law violations in the field of science and technology;

3. The science and technology inspectorate shall have the rights:

a. To request the subjects under inspection and concerned parties to supply documents and evidences and answer necessary matters related to the inspection contents;

b. To ask for expertise in necessary cases;

c. To apply measures to prevent and handle violations according to law provisions.

4. The inspection delegations and inspectors shall take responsibility for their conclusions, decisions and handling measures in the inspection course according to the provisions of law.

## **Chapter VII**

### **COMMENDATION AND HANDLING OF VIOLATIONS**

#### ***Article 53. Commendation***

Organizations and individuals that make many achievements and contributions to the scientific and technological cause shall be commended, rewarded, conferred or awarded the State's honorable titles as prescribed by law.

#### ***Article 54 Scientific and technological prizes***

1. The State shall consider and award Ho Chi Minh Prize on science and technology to exceptionally outstanding scientific and technological works.
2. The State shall consider and award the State's Prize on science and technology to outstanding scientific and technological works.
3. The ministries, ministerial -level agencies, agencies attached to the Government and the People's Committees of the provinces and centrally-run cities shall consider and award scientific and technological prizes to outstanding scientific research and technological development works within the managerial scope of their respective ministries, branches and localities.

The Government shall prescribe the criteria and procedures for consideration and award of prizes prescribed in this Article.

#### ***Article 55. Scientific and technological prizes of organizations and individuals***

1. Domestic organizations and individuals, overseas Vietnamese, international organizations as well as foreign organizations and individuals shall be entitled to make and award scientific and technological prizes with a view to promoting the scientific and technological development in Vietnam according to the provisions of law.
2. Enterprises shall be entitled to deduct part of their profits gained from the application of scientific and technological results to reward organizations and individuals that successfully apply such scientific and technological results.
3. Scientific and technological organizations as well as individuals involved in scientific and technological activities shall be entitled to receive prizes awarded by

foreign organizations and/or individuals as well as international organizations in accordance with the provisions of Vietnamese law.

***Article 56. Receiving titles from foreign organizations and for individuals and international organizations***

Scientific and technological organizations as well as individuals involved in scientific and technological activities shall be entitled to receive scientific and technological titles conferred or awarded by foreign organizations and/or individuals as well as international organizations in accordance with the provisions of Vietnamese law

***Article 57. Handling of violations***

Those who commit one of the following acts shall, depending on the nature and seriousness of their violations, be disciplined, administratively sanctioned or examined for penal liability; and pay compensation if causing damage:

1. Committing one of the prohibited acts defined in Article 8 of this Law;
2. Using for wrong purposes the State budget investment in scientific and technological development;
3. Committing frauds to enjoy preferences or rewards in scientific and technological activities;
4. Violating the regulations on the selection and assignment of scientific and technological tasks; on expertise, evaluation or after-test acceptance of scientific and technological programs, subjects or projects;
5. Committing other acts of violating the legislation on science and technology.

***Chapter VIII***  
**IMPLEMENTATION PROVISIONS**

***Article 58. Implementation effect***

The Law on Science and Technology takes effect as from January 11, 2001.

The earlier provisions contrary to this Law shall all be annulled.

***Article 59. Detailing and guiding the implementation***

The Government shall detail and guide the implementation of this Law.

*This Law was passed by the X<sup>th</sup>, National Assembly of the Socialist Republic of Viet Nam at its, 7<sup>th</sup>, session on June 9, 2000.*

National Assembly Chairman  
**NONG DUC MANH**