

**CONSOLIDATED COMMENTS ON DRAFT DECREE DETAILING AND IMPLEMENTING SOME ARTICLES
OF THE 2017 LAW ON TECHNOLOGY TRANSFER DATED 19 JANUARY 2018
AND LAW ON TECHNOLOGY TRANSFER (2017)**

<i>No.</i>	<i>Reference</i>	<i>Issues</i>	<i>Suggestions</i>
COMMENTS ON DRAFT DECREE DETAILING AND IMPLEMENTING SOME ARTICLES OF THE 2017 LAW ON TECHNOLOGY TRANSFER DATED 19 JANUARY 2018			
1.	N/A	<p>Article 2.7 of the Law on technology transfer defines that 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.</p> <p>However, there is no specific regulation or specific mechanism applicable to transferring the right to use a given technology in both Law and Decree. Particularly, is it mandatory to register contract on transferring the right to use technology? Reporting on implementation of transferring the right to use technology is compulsory or not? Content of contract on transferring the right to use technology? Meanwhile, the regulations specifically applied to transferring the right to use technology is prescribed quite clearly in the previous Law on Transfer Technology and the Decree detailing such law.</p>	<p>Scope of rights and the implementation of Transfer of the ownership of technology and Transfer of the right to use technology are different; accordingly the rights and obligations of transferee and transferor in such two types of transfer are also different from each other. Therefore, Decree should provide more specific regulations and mechanism applicable to transferring the right to use technology and the mechanism applicable to such type of transfer as clear as same regulations under the previous Law on Transfer Technology and the Decree detailing the previous Law on Transfer.</p>
2.	Article 3 Language of the provision	<p>The subject of Article 3 is “Languages to be used in the application dossier for granting permit/ registration of technology transfer”.</p> <p>However, the content of the Article is concerning the “language of the technology transfer contract”.</p> <p>“Language used in the technology transfer contract is agreed by the parties; In case [the technology transfer] is to be permitted or registered in Vietnam, a Vietnamese contract, or a notarized or certified Vietnamese translation is required’.</p> <p>There is a typo in the phrase "<i>được công chức hoặc chứng</i></p>	<p>The subject should be amended to be “<u>language of the technology transfer contract</u>” for consistency.</p> <p>The wording in Vietnamese "<i>được công chức hoặc chứng thực</i>" should be amended to be correct as notarization ("<i>được công chứng hoặc chứng thực</i>").</p>

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		<i>thực</i> ".	
3.	Article 4 Lists of technologies encouraged (to transfer), restricted (to transfer) and prohibited to be transferred		<p>The encouraged transfer of technologies can be subject to incentives and facilitation measures, including tax reduction etc.</p> <p>There should be provision for similar incentives to services and activities in support of technology transfer including IP consulting service, technology transfer consulting service, etc.</p>
4.	Article 5.3 Price and payment method 3. Contribute value of technology as contributed capital to the investment project or capital of enterprise. In case the parties have an <u>Agreement on capital contribution in the form of technology</u> , after the completion of the technology transfer and certified by the parties, the value of	<p>In practice, technology transfer may include training, guiding or technical support during the operation. Therefore, the point of time to be considered as completion of technology transfer is not clear. In some cases, it is very difficult to determine this point of time.</p>	<p>Please provide more details on the timing or criteria for determining the completion time of the technology transfer.</p> <p>It should be clearly provided that the value of the technology transfer can be agreed by the parties (without the need of determination or assessment by an accredited technology valuation/auditing agency).</p>

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	the technology shall be calculated as the contributed capital of the technology transferor in the investment project or contributed capital of the enterprise.		
5.	<p>Article 5.5 Payment methods in the Technology Transfer Agreement</p>	<p>This Article 5 is inconsistent with Article 27 of the Law.</p> <p>Article 27 of the Law provides <u>six</u> options of payment methods as follows:</p> <ul style="list-style-type: none"> • One-off or multiple payments in cash or by goods; • Transfer of technology value as capital contribution to the investment project or enterprise under regulations of law; • Payment by percentage (%) of the net selling price; • Payment by percentage (%) of the net revenue; • Payment by percentage (%) of the earnings before income taxes of the transferee; • <i>Other payment method as agreed upon by the parties.</i> <p>However, Article 5 of the Draft Decree only specifies the first <u>five</u> payment methods. It seems to opt out the last provision which allows parties in contract to negotiate on other mode of payment.</p> <p>The Law on Technology Transfer provided following methods for payment in a Technology Transfer Agreement:</p> <p>The payment may be made by adopting any of the following</p>	<p>A technology transfer agreement is a commercial contract. Parties involved should be free to negotiate core terms of such agreement, including the payment method.</p> <p>The current provision in the Draft Decree does not allow parties to choose other mode of payment besides those already listed. With this said, it could be considered against the freedom of contract, to which the Law has supported. Thus, we recommend revising this Article 5 by adding a new provision, allowing the concerned parties to choose other modes of payment other than those as provided.</p> <p>Law on Technology Transfer allows the licensor and licensee to agree on another payment methods beside those stated in the Law, however, draft Decree limit this otherwise agreement by supplement another payment terms</p>

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		<p>methods:</p> <ol style="list-style-type: none"> 1) One-off or multiple payments in cash or by goods; 2) Transfer of technology value as capital contribution to the investment project or enterprise under regulations of law; 3) Payment by percentage (%) of the net selling price; 4) Payment by percentage (%) of the net revenue; 5) Payment by percentage (%) of the earnings before income taxes of the transferee; 6) Other payment method as agreed upon by the parties. <p>While, Decree provides guideline for payment methods of a Technology Transfer Agreement as follows: The payment may be made by adopting any of the following methods:</p> <ol style="list-style-type: none"> 1) One-off or multiple payments in cash or by goods; 2) Transfer of technology value as capital contribution to the investment project or enterprise under regulations of law; 3) Payment by percentage (%) of the net selling price; 4) Payment by percentage (%) of the net revenue; 5) Payment by percentage (%) of the earnings before income taxes of the transferee; 6) Combination of payment methods as stated in Clause 1, 2, 3, 4 and 5 of this Article. 	<p>that is not provided in the law, which is “a combination of the above payments”. Such guidance seems not to be consistent with Laws. Draft Decree should only give guidance for payment methods allowed by the law but not add any other payment methods or limit a provision stated in the Law. Therefore, Clause (5) of Article 5 of the Draft Decree should be removed and replace by “Other payment method as agreed upon by the parties”</p>

No.	Reference	Issues	Suggestions
6.	<p>Article 5.6 Price and payment method</p> <p>.....</p> <p>6. Organizations and individuals receiving technology transfer must state in <i>the tax declaration dossier</i> the following contents: quantity of technology to be transferred, name of the technology, technological objects, origins and value of transferred technology as a basis for determining and supervising tax obligations and tax incentives associated with the transferred technology.</p>	<p>Under the Law on Technology Transfer and the Draft Decree, most technology transfer contracts must be registered for issuance of the Certificate of registration of technology transfer or a technology transfer license.</p> <p>When conducting these procedures with the Ministry of Science and Technology, enterprises must provide sufficient information on the transferred technology. Hence, the Technology Regulatory Authority has statistical data for the purpose of monitoring the transferred technology.</p> <p>On the other hand, under the provisions of the tax administration law, enterprises must declare all information on transactions with related parties when conducting annual tax declaration in order to manage and identify risks on the price of transactions with related parties.</p> <p>Therefore, with above two procedures, the enterprise has made full declaration, the tax authority and technology management authority can completely share statistical data for the purpose of management and risk identification.</p> <p>Therefore, it is unnecessary to require enterprises to declare further information in tax declaration dossiers and go against the policy of reducing administrative procedures and reducing hours of tax declaration.</p> <p>In addition, this clause prescribes the declaration of such information "as a basis for the determination and supervision of tax obligations and tax incentives associated with the transferred technology." As we mentioned above, specific tax incentives for each object are not clearly defined in this law.</p>	<p>Please remove or narrow and clarify the objects declaring information on technology transfer in the tax declaration dossier to avoid the unnecessary administrative procedures for enterprises as well as misunderstanding during the implementation.</p>

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		<p>In case the incentives are conducted in compliance with the relevant tax laws, each tax law requires enterprises to meet specific conditions to enjoy corresponding incentives. Under this clause, it can be understood that the disclosure of information about transferred technology would become an additional condition for the enterprise to enjoy tax incentives. For example, in case enterprises enjoy incentives under the form of high-tech enterprise, the enterprise must satisfy all condition of high tech enterprise and must be granted the certificate of hi-tech enterprise in order to be legible for corresponding incentives. If the enterprise satisfies the above conditions but not declare properly/sufficient information on technology transfer in the tax declaration dossier, will the incentives of the enterprise be affected?</p> <p>We understand that the purpose of requiring technology transfer information (including type of technology transferred and value of technology transferred) in tax declaration form, conducting audit on technology transfer price and reporting on technology transfer is to determine tax obligation as well as tax incentive precisely, especially in transactions between related companies and transaction between Vietnamese companies and overseas parties.</p> <p>The requirement of enterprises to annually report on technology transfer to MOST and also files tax declaration to tax authorities shall not only take more time of enterprises but also add more procedures. We understand that enterprises can declare technology information in only Technology Transfer Report to reduce procedures and increase motivation for business development. If other relevant authorities have demand to use any information on such Technology Transfer Report, they can coordinate with MOST.</p>	<p>Propose not to mention quantity of technology transferred, technology name, technology subject, origin and value of technology transferred in tax declaration form. Enterprise can list out such information in Technology Transfer Report required in Article 7 of this Draft Decree.</p>

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7.	<p>Audit of the technology transfer price</p> <p>Article 27 of the Law on Technology Transfer 2017 specifies that:</p> <p><i>“3. The price of technology must be audited and applied in accordance with regulations of Tax Law and Pricing Law in the following cases:</i></p> <p><i>a) Technology is transferred between the parties among which one or both parties have state funding;</i></p> <p><i>b) Technology is transferred between the parties having parent - subsidiary relationship;</i></p> <p><i>c) Technology is transferred between related parties as prescribed in Tax Law.</i></p>	<p>Our enterprises concern about the understanding and implementation of auditing technology transfer price as specified in the above mentioned Law on Technology Transfer. Which competent authority shall conduct auditing technology transfer price between parent company and subsidiary and amongst companies having related relationship.</p> <p>To our understanding, the purpose of auditing is to limit the transfer of old and backward technologies into Vietnam and at the same time to control the transfer pricing through technology transfer prices that allow the subsidiaries in Vietnam to receive technology transfer with high cost to take the consequence of the loss of business in Vietnam. For such purposes we find it necessary to exclude cases that have been inspected transfer pricing or already had advance pricing agreement (APA) with Vietnamese tax authorities in accordance with the regulation of the Ministry of Finance to avoid the overlapped inspection on the same content. At the same time, in fact, companies doing business in producing high-tech products, applying high-tech with high margin are in low risk of transfer pricing. The audit of the price of a technology transfer contract in this case is not really meaningful but increases the cost of compliance, reduces competitiveness of enterprises. Thus, we suggest that it is really necessary to reconsider the objects subject to price auditing. For example, price auditing should only be applied to enterprises having unreasonable prolonged losses.</p> <p>To our acknowledgement, "Audit" means the examination by an independent party in order to verify the truthfulness and rationality of accounting data, financial statements of organizations, agencies, and enterprises. The audit shall be conducted on the basis of accounting documents and vouchers kept at enterprises in accordance with accounting regulations</p>	<p>Based on the mentioned analysis (item 7, 8), we propose that the Ministry of Science and Technology in the Decree guiding the implementation of the Law on Technology Transfer, the auditing technology transfer price should be more specifically defined on the subject of application, process, and procedures for auditing technology transfer price (which entity performs this audit and which standard, which cases are excluded). In particular, transactions among related parties should be guided to implement in accordance with the provisions of the Ministry of Finance on transactions of related parties. More specifically, the auditing technology transfer price should be excluded for transactions between related parties that have been applied APA, excludes companies producing high-tech products, high technology applications, and companies with high margin. On the other hand, the decree should remove or narrow and clarify the objects declaring information on technology transfer in the tax declaration dossier to avoid the unnecessary administrative procedures for enterprises as well as misunderstanding during the implementation.</p>

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	<p>4. <i>The Government shall promulgate detailed regulations on this Article.</i></p>	<p>and standards which are generally accepted or promulgated by competent authorities.</p> <p>In the current Vietnamese legal system, there are two Laws related to audit including the Law on State Auditing and the Law on Independent Auditing.</p> <p>According to the definition in “The Law on State Auditing”, “Auditing objects of the State Auditing are for the management, use of public finance, public assets and activities related to management, use of public finance and public assets of audited entities”. Therefore, the audit of transactions of parties amongst which a party having state capital may be understood to be consistent with the Law on State Audit.</p> <p>However, there is no concept of "Auditing on Price" in regulations of the "Law on independent audit". Under the Law on Independent Auditing 2011, the following concepts are presented in the auditing activities:</p> <ul style="list-style-type: none"> • Independent auditing means practicing auditors, auditing firms, branches of foreign auditing enterprises in Vietnam to inspect and give their independent opinions on financial statements and other auditing works under the audit contract. • Financial statement audit means practicing auditors, auditing firms and branches of foreign auditing enterprises in Vietnam to inspect and give their opinions on the truthfulness and rationality in key respects of the financial statements of audited units in accordance with provisions of auditing standards. • Compliance audit means practicing auditors, auditing firms and branches of foreign auditing enterprises in Vietnam to 	

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		<p>inspect and give their opinions on compliance with laws, regulations, provisions that audited units must perform.</p> <ul style="list-style-type: none"> Operational audit means practicing auditors, auditing firms and branches of foreign auditing enterprises in Vietnam to inspect and give their opinions on the economy, effectiveness and operation efficiency of a part of or whole audited units. <p>Therefore, in the Vietnamese legal system, there is no concept/definition of "Auditing on Price". Enterprises do not clearly understand the mechanism to perform the "Auditing on Price" and which agency will conduct the same (whether management agencies or independent auditors). Which bases that the auditing are conducted? There is no tax regulations requiring the auditing on price. Currently, no auditing companies have audited the "transfer price".</p> <p>In addition, the Law on Price (Law on Price 2012 and Decree 177/2013) only regulates the state management of some commodities that the state manages or stabilizes the price. Article 11 of the Law on Price stipulates that organizations and individuals shall be entitled to self-pricing of goods and services they produce and trade.</p> <p>However, for transactions amongst related parties, the Government issued a separate Decree (Decree 20/2017/ND-CP) regulating the tax administration of enterprises having related transactions. This Decree prescribes principles, methods, order and procedures to determine the price of related transactions; the taxpayer's obligations in declaring and determining the price of related transactions and tax declaration; the responsibility of state agencies in managing, examining and inspecting for taxpayers having related transactions. Accordingly, the determination of transferred</p>	

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		<p>technology price amongst related parties must comply and implement in accordance with provisions of law on tax and price is understood to implement and comply with tax administration regulations of enterprises having related transactions.</p> <p>The Law amending and supplementing a number of articles of the Law on tax administration dated 20 November 2012, the guiding decrees and circulars issued a mechanism for the advance pricing agreements (“APA”) to improve the efficiency of tax administration and reduce compliance costs. This procedure is detailed in Circular 201/2013/TT-BTC dated 20/12/2013.</p> <ul style="list-style-type: none"> - APA is a written agreement between tax authority and taxpayer or amongst tax authority and taxpayer and tax authorities of countries and territories where Vietnam has signed tax treaty. APA includes specific agreements, commitments on price determination methods, price determination mode, calculation of price data, profit rates, etc. with tax authorities for related transactions. - In order to reach this agreement, enterprises and tax authorities need a comprehensive negotiation and evaluation process. At the same time, when enterprises have successfully signed the APA, such enterprises must ensure compliance with specific commitments as agreed in the APA and the tax authorities also have a mechanism to check their implementation. Specifically, under current regulations (Clause 7, Article 12 of Decree 20), if the tax authority signs APA with taxpayers, tax authority shall: <ul style="list-style-type: none"> (i) Perform management, examination and inspection of related transactions not covered by the APA in accordance with principles of risk management. 	

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		<p>(ii) Manage, examine and inspect the compliance with the APA in accordance with regulations.</p> <ul style="list-style-type: none"> - During the implementation of the APA, taxpayers are obliged to submit annual APA reports on the compliance of contents as agreed in the APA and attached to the corporate income tax finalization dossier (Clause 2, Article 17 of Circular 201). - Under the above regulations, the examination and inspection of each related transaction shall apply only to transactions not covered in the APA. For transactions covered in the APA, the tax authority is solely responsible for supervising the APA implementation of taxpayers and examining, inspecting the compliance for fulfillment of agreed contents by tax payers. - Therefore, for enterprises having signed the APA, it is always required that related transactions include the price of technology transfer to ensure the principle of market price. <p>With the above analysis, we understand that there is no concept of "auditing on transferred price". Moreover, if this regulation is to control the price of related transactions (amongst the parent-subsidiary companies and related parties), then the issue of price determination for transactions arising between related parties (including technology transfer transactions) for tax purposes have been governed by Decree 20 – the specialized tax legislation document.</p> <p>At the same time, the APA is a legally binding agreement between taxpayer and Vietnamese tax authority (unilateral APA), being even legally valid for foreign tax authorities (bilateral, multilateral APA). We therefore find that for transactions that have been included in the APA, the price auditing is unnecessary and detracts from the meaning, purpose and legal value of the APA.</p>	

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8.	<p>Declaring information on tax declaration dossiers</p> <p>Clause 6 of Article 5 of the Draft Decree stipulates:</p> <p><i>"Organizations and individuals receiving technology transfer must provide in the tax declaration dossiers the following contents: quantity of transferred technology, name of technology, technological objects, origin and value of transferred technology to serve as a basis for determining and supervising tax obligations and tax preferences attached to the transferred technology."</i></p>	<p>In accordance with the Law on Technology Transfer and the draft Decree, we understand that most technology transfer contracts must register for issuance of the Certificate of registration of technology transfer or a technology transfer license. When conducting these procedures with the Ministry of Science and Technology, enterprises must provide sufficient information on the transferred technology. Hence, the Technology Regulatory Authority has statistical data for the purpose of monitoring the transferred technology. On the other hand, in accordance with the provisions of the Law on tax administration, enterprises when declaring annual corporate income tax, must provide all information on transactions with related parties in order to manage and determine risks on price of transactions with related parties.</p> <p>Therefore, with the above two procedures, enterprises have fully implemented the declaration, the tax administration agency and the technology management agency can completely share statistical data for the purpose of management and risk identification. Thus, it is unnecessary to require enterprises to double declare these information in tax declaration dossiers means incur unnecessary administrative procedures and go against the policy of minimizing and reducing the number of tax declaration hours.</p> <p>In addition, the Decree requires enterprises to declare information on technology transfer in the tax declaration dossier but does not specify what tax declaration dossiers. In addition, this clause prescribes the declaration of such information <i>"as a basis for the determination and supervision of tax obligations and tax incentives associated with the transferred technology."</i> This provision does not clearly indicate which tax incentives are to be construed as <i>attaching</i></p>	

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		<p><u>to the transferred technology</u> so that it is not apparent to the objects need to implement the declaration.</p> <p>In case the incentives are conducted in compliance with the relevant tax laws, each tax law requires enterprises to meet specific conditions to enjoy corresponding incentives. Under this clause, it can be understood that the disclosure of information about transferred technology would become an additional condition for the enterprise to enjoy tax incentives. For example, in case enterprises enjoy incentives under the form of high-tech enterprise, the enterprise must satisfy all condition of high tech enterprise and much be granted the certificate of hi-tech enterprise in order to be legible for corresponding incentives. If the enterprise satisfies the above conditions but not declare properly/sufficient information on technology transfer in the tax declaration dossier, will the incentives of the enterprise be affected?</p>	
9.	<p>Article 5.7 Price and payment method</p> <p>...</p> <p>7. The Ministry of Finance shall chair and coordinate with the Ministry of Science and Technology in guiding the competence, procedures and contents of <u>auditing</u></p>	<p>Both Law and draft Decree are not provide the definition of “<u>auditing technology price</u>”.</p> <p>In addition, we found no agency in charge of this audit and follow by which audit standard.</p> <p>The purpose of auditing is to limit the transfer of old and backward technologies into Vietnam and at the same time to control the transfer pricing through technology transfer prices that allow the subsidiaries in Vietnam to receive technology transfer with high cost to take the consequence of the loss of business in Vietnam.</p> <p>For such purposes we find it necessary to exclude cases that have been inspected transfer pricing or already had advance pricing agreement (APA) with Vietnamese tax authorities in accordance with the regulation of the Ministry of Finance to</p>	<p>We suggest to be more specifically defined on the subject of application, process, and procedures for auditing technology transfer price (which entity performs this audit and which standard, which cases are excluded). In particular, transactions among related parties should be guided to implement in accordance with the provisions of the Ministry of Finance on transactions of related parties.</p> <p>More specifically, the auditing technology transfer price should be excluded for transactions between related parties that have been applied APA, excludes companies producing high-tech products, high technology applications, and companies with high margin.</p>

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	<u>technology price.</u>	<p>avoid the overlapped inspection on the same content.</p> <p>At the same time, in fact, companies doing business in producing high-tech products, applying high-tech with high margin are in low risk of transfer pricing. The audit of the price of a technology transfer contract in this case is not really meaningful but increases the cost of compliance, reduces competitiveness of enterprises. Thus, we suggest that it is really necessary to reconsider the objects subject to price auditing. For example, price auditing should only be applied to enterprises having unreasonable prolonged losses.</p> <p>The law will come into effect from 1 July 2018, but the guiding Decree is not yet available. The draft Decree does not clearly guide this content.</p> <p>The agreement on signing of technology transfer contract will take time for negotiation. On the other hand, technology transfer is the core issue of many foreign-invested enterprises.</p> <p>This regulation will impact wide range of companies. If the implementation of guidance is delayed it will cause psychological panic, anxiety for investors.</p>	
10.		<p>1. According to current tax laws, FDI enterprises have to prepare transfer price documentation by themselves to prove transaction price are among benchmarking range. At the same time, Technology Transfer Law stipulates that price of technology transferred from overseas into Vietnam must be audited. These regulations make us very confused that which authority will be auditor, scope and purpose of tax audit regarding technology transfer, and time to conduct audit.</p> <p>Besides, until now, MOF and MOST and below department (such as General Department of Taxation) have not conducted any tax inspection regarding to transfer price issue or technology transferring price and we have no experience on</p>	<p>1. Propose to give clear guidance in the Decree: Which authority is competent authority to audit price of technology transfer; scope and purpose of tax audit regarding technology transfer; and time to conduct audit.</p>

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		<p>this issue. Therefore, we need very detail guidance from government to comply well.</p> <p>2. Simplify administrative procedures, make contribution for betterment of Vietnam's legal system, as well as reduce binding administrative procedure for enterprises, which shall increase their motivation to develop business and manufacturing.</p>	<p>2. Propose to issue policy in case audit contents stipulated under tax laws and technology transfer laws overlap as follows: (i) Ministry of Finance and Ministry of Science and Technology shall combine to conduct their audits in each enterprise at the same time or (ii) Such Ministries have policy for internal exchange of audited information with related Ministries, then there is no need for such other Ministries to conduct audit by themselves.</p>
11.	N/A	Ensure consistency with Technology Transfer Law 2017	Add 01 more payment method: <i>"Other payment method as agreed by the parties"</i>
12.	Article 6.1 Registration of Technology Transfer	Requirement for Registration of technology transfer with authorities will be an unnecessary burden to parties to the technology transfer and will not facilitate technology transfer activities. Because transfer of restricted technologies already need approval/ to be granted permit from competent authorities, the control of the transferred technologies can be assured.	Therefore, for transfer of technologies that are not restricted (i.e. do not need approval/ permit), registration with authorities should not be required.
13.	Article 6. Technology transfer registration 2. In case of technology transfer agreements entered into in accordance with the 2006 Technology Transfer Law,	<p>1. The registration of technology transfer is for the purpose of state management of technology transfers, avoiding fraud, transfer pricing, tax evasion... However, it is necessary to have clear criteria to determine which case the amendment and/or supplementation of contracts must be submitted. That enterprises have to register any and every amendment to some extents shall increase administrative procedure and take time of enterprises, while agreement on contents of contracts, including amendment, supplementation, is the rights of both parties, based on their wishes and scope of transfer.</p> <p>In addition, the registration of contracts can be convenient for</p>	1. Propose to consider only the major changes affecting the management such as duration and type of technology will be subjected to implement registration regulation.

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	<p>where the parties involved need to register modifications and updates, the procedures and formalities to make such modifications and updates shall be subject to the provisions of Article 31, Technology Transfer Law</p> <p>3. In case of technology transfer agreements entered into prior to July 1, 2018, where the parties involved need to extend the technology transfer agreement, the procedures and formalities for such extension shall be subject to the provisions of Article 33, (revised) Technology Transfer Law</p>	<p>management, but can cause difficulties for enterprises during the negotiation and implementation of contracts since there are many regulations on registration procedures as well as supervision.</p> <p>2. Help enterprises have basis to prepare information and submit required registration dossiers in compliance with the laws</p>	<p>2. Propose to stipulate contents and forms of application for registration, amendment, supplementation, extension in this Decree</p>

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14.	<p>Article 6.6 Competence issuing technology transfer registration certificate</p> <p>a / The Ministry of Science and Technology issues technology transfer registration certificate from technology transfer abroad into Vietnam under projects approved by the Prime Minister and projects of Group A; Technology transfer from Vietnam to abroad.</p> <p>A copy of technology transfer registration certificate shall be sent to the Provincial Science and Technology Department where</p>	<p>This Article provide the authority to grant the technology transfer registration certificate ("TTRC") for projects approved by the Prime Minister and projects of Group A and provincial People's Committees and Group B and C projects</p> <p>However, the regulation does not mention about investment project which subject to registration for issuance of IRC and the competent agencies granting the TTRC in this case.</p>	<p>Please supplement the competent agencies issuing TTRC for projects which subject to registration procedures for IRC issuance.</p>

No.	Reference	Issues	Suggestions
	<p>the technology receiver is headquartered for coordination in monitoring and inspecting the transfer of technology.</p> <p>b) the Science and Technology Department of provinces and centrally-run cities issue technology transfer registration certificate with technology transfer from abroad to Vietnam under investment projects approved by the provincial People's Committees and Group B and C projects;</p> <p>Technology transfer inland using state capital or state budget.</p> <p>A copy of technology transfer registration certificate will be</p>		

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	sent to the Ministry of Science and Technology for summarization and management.		
15.	<p>Article 6.6 Jurisdiction for granting Certificates for registration of technology transfer</p> <p>a) The Ministry of Science and Technology grants Certificates for registration of inbound technology transfers into Vietnam as part of projects for which preliminary acceptance is provided by the Prime Minister, and Category A projects; and outbound technology transfer from Vietnam.</p> <p>...</p> <p>b) The</p>	<p>In Article 6.6, the Draft stated that both MOST and DOST have authority to issue Certificate of Technology Transfer Registration for technology transferred from overseas into Vietnam (depend on approval level of investment project using transferred technology).</p> <p>However, Article 6.7 on procedure to submit registration dossier in case transferring technology from overseas into Vietnam only mentions authority of MOST. Such regulation may lead to understanding that DOST does not have authority to issue Certificate of Technology Transfer Registration for technology transferred from overseas into Vietnam, which conflicts with Article 6.6.</p> <p>This Article 6.7 is inconsistent with Article 6.6.</p> <p>Article 6.6(b) provides that provincial Departments of Science and Technology are responsible for registration of certain (technology of Projects approved in principle by the People’s Committees under the categories of B and C) technology transfer contracts from oversea into Vietnam. However, under the wording of Article 6.7(a), <u>all</u> technology transfer contracts from oversea into Vietnam must be submitted to the Ministry of Science and Technology.</p>	<p>Propose to amend Article 6.7 to ensure consistency of regulations on authority to issue Certificate of Technology Transfer Registration of Ministry of Science and Technology (MOST) and Department of Science and Technology (DOST).</p> <p>To revise Article 6.7 so that it is consistent with Article 6.6.</p>

<i>No.</i>	<i>Reference</i>	<i>Issues</i>	<i>Suggestions</i>
	<p>Department of Science and Technology of provinces and cities under direct central control grant Certificates for registration of inbound technology transfer into Vietnam for technologies affiliated to investment projects for which preliminary acceptance is provided by the provincial level People's Committee, and Category B and C projects; and internal technology transfer financed by public funding or the state budget.</p> <p>...</p> <p>7. Application dossier for technology transfer registration in accordance with</p>		

No.	Reference	Issues	Suggestions
	<p>Article 31.3, Technology Transfer Law. Lodging an application for technology transfer registration shall be done in line with the following rules.</p> <p>a) Within 90 days after the signing of the technology transfer pledge, the transferee in case of inbound technology transfer into Vietnam, or transferor in case of outbound technology transfer from Vietnam shall, on behalf of the parties involved, submit an original application dossier to the Ministry of Science and Technology.</p> <p>b) In case of internal technology transfer, within 90 days after the signing of the</p>		

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	<p>technology transfer pledge, the transferee shall, on behalf of the parties involved, submit an original application dossier to the Department of Science and Technology where the transferee's headquarters are located.</p>		
16.	<p>Article 7 establishes the obligation for reporting on technology transfer efforts for technology transfer agreements with a Technology transfer license/Registration certificate granted, of the transferee (in case of inbound technology transfer into Vietnam and internal technology transfer) or transferor (in case of outbound technology transfer</p>	<p>This rule, however, is unclear about what should be reported, and may create further procedural burdens for businesses if they have to report on too much unnecessary information.</p>	<p>To facilitate application and implementation, <u>we suggest that the drafting team</u> makes specific what needs to be reported, which should be linked to what is included in the Technology transfer registration certificate.</p>

No.	Reference	Issues	Suggestions
	from Vietnam).		
17.	<p>Article 7. Technology transfer reporting</p> <p>2. In case of technology transfer agreements for which a Certificate for registration of technology transfer has been granted, and have been in effect for over a year, on an annual basis, the transferee (in case of inbound technology transfer into Vietnam and internal technology transfer) or transferor (in case of outbound technology transfer from Vietnam) shall prepare and submit a report on the performance</p>	<p>1. Propose to amend deadline to submit report on implementation of technology transfer as corresponding with deadline to submit CIT finalization and audited Financial Statement (FS) of enterprise.</p> <p>2. Propose to stipulate contents and form of report in this Decree</p>	<p>1. Report on implementation of technology transfer may require data of expense for technology transfer within the year. If such report is required to be submitted on 15th Jan of the following year, the abovementioned data of expense may not be as precise as data listed in audited FS. Therefore, we propose to amend article as above to ensure consistency with deadline to submit CIT finalization and audited FS, ensure data reported to technology authority is precise and consistent with data reported to tax authority.</p> <p>2. Help enterprises have basis to prepare information and submit required report in compliance with the laws</p>

No.	Reference	Issues	Suggestions
	<p>of the technology transfer agreement for the previous year to the Ministry of Science and Technology or Department of Science and Technology that awards the Certificate for registration of technology transfer.</p> <p>3. The deadline for filing a technology transfer report is January 15 of the following year.</p>		
18.	<p>Article 7.3 Deadline to submit report on implementation of the contract</p>	<p>Under this Article, deadline to submit annual report on implementation of the technology transfer contract is before the 15 January of the following year.</p> <p>Such deadline is unreasonable and unrealistic. It may take much time to collect information and prepare report, while January is a very busy month for enterprises and the first two weeks of January is also a popular traveling time for foreign staff and managers in the companies.</p> <p>The Draft Decree is also silent on the extension of the deadline.</p>	<p>The deadline to submit the annual report should be extended, for example: by end of March.</p> <p>There should be provision on extension of the deadline, for example: in case of force majeure.</p>
19.	<p>Article 8 sets forth the liability for return of</p>	<p>The above rule needs a review on the following:</p> <ul style="list-style-type: none"> - Justification: 	<p>From the above explanations, <u>we recommend that the drafters</u> revise the rules of Article 8 of the draft in the</p>

No.	Reference	Issues	Suggestions
	<p>concessional loans previously granted in case the Technology transfer Registration Certificate is rescinded, where:</p> <ul style="list-style-type: none"> - In case the support or incentive benefit has not been used: a full refund is required. - In case the support or incentive benefit has been used: <ul style="list-style-type: none"> • For causes beyond reasonable control (natural disasters, fire, accidents and other uncontrollable forces as specifically determined by a relevant authority): No refund of the used finances is required. • Controllable causes: a full refund of the support or incentive benefit 	<p>According to the provisions of Article 32.2, Technology Transfer Law, a Certificate for registration of technology transfer may be revoked in case of: i) abuse of what is allowed in the Technology transfer license or Technology transfer registration certificate; ii) forgery of application dossiers for a Technology transfer license or Technology transfer registration; and iii) a petition is made by a competent regulatory authority in case relevant laws are broken.</p> <p>All this obviously points to the fact that a Certificate may be annulled in case a firm breaks the law pertaining to the certification process. In fact, some businesses may even take fraudulent actions to obtain the Certificate. This is a serious offense. To that end, the draft ruling on reimbursement of received incentive benefits through determining whether such benefits have been used or not, and accordingly, whether a recipient has to return the received incentive benefit or support is unreasonable and a failure to create a deterrent effect against the misconducts of support recipients, and may result in a risk of state budget/funding leak.</p> <ul style="list-style-type: none"> - “In case causes beyond reasonable control (natural disasters, fire, accidents and other uncontrollable forces as specifically determined by a relevant authority)” cannot apply to the event of “forgery of application dossiers for a Technology transfer license or Technology transfer registration” (Article 32.2.b, Technology Transfer Law), because this misconduct is committed willingly by the offender. - The term “other uncontrollable forces as specifically determined by a relevant authority” (Article 8.1.b) is obscure. What justification/reference source a regulatory 	<p>following directions:</p> <ul style="list-style-type: none"> - Rescinding a TT registration certificate: Adding details and specifics on law abuse acts that will trigger a competent regulatory authority’s petition to revoke a Technology transfer registration certificate in accordance with Article 32.2.c, Technology Transfer Law. - Events where incentive benefits are to be reimbursed: Our suggestion is to have in place procedures and steps for reimbursement of the received benefits for any event where a Technology transfer registration certificate is annulled (or on a parallel note, in the events where a Registration certificate is revoked in line with Article 32.2, Technology Transfer Law, the subject firm must always return any received benefits).

No.	Reference	Issues	Suggestions
	received as of the date the Technology Transfer Registration Certificate is revoked.	<p>authority may rely on for the assessment and decision making on other uncontrollable forces? Which bodies are competent regulatory authorities in this case? What procedures are involved to be reviewed? The lack of clarity of this regulation may be an opportunity for discretionary enforcement by regulatory agencies and create implementing challenges for businesses.</p> <p>- “A petition is made by a competent regulatory authority in case relevant laws are broken” (Article 32.2.c, Technology Transfer Law) is one of the events where the registration certificate is revoked as defined by the law. But this regulation lacks clarity in that it is unknown for what breaches of the law, a relevant regulatory authority may recommend voiding a registration certificate.</p>	
20.	<p>Article 9.2</p> <p>Support for technology transfer activities between scientific and technological organizations and enterprises implementing socio-economic activities in geographical areas, domains eligible for investment incentive</p> <p>1. Domains and</p>	<p>Pursuant to Article 5 of the Law on Investment No. 67/2014 / QH13 regarding policies on business investment:</p> <p><i>“4. The State shall treat investors equitably; introduce policies to encourage and enable investors to make business investment and to ensure sustainable development of economic sectors.”</i></p> <p>However, Clause 2 stipulating the objectives and scope of application are unclear of which objectives are eligible for such supports:</p> <ul style="list-style-type: none"> - All local and foreign invested enterprises and collective economic organizations (100% domestic capital) or - Only local enterprises and collective economic organizations (100% domestic capital), not applicable to foreign invested enterprises. 	Please review again the Clause 2 and clarify objectives and scopes of application.

<i>No.</i>	<i>Reference</i>	<i>Issues</i>	<i>Suggestions</i>
	<p>geographical areas eligible for investment incentives are under the current provisions of the Law on Investment.</p> <p>2. <u>Objectives and scope of application:</u> enterprises and collective economic organizations (100% domestic capital) set up and operate under the Law on Enterprise, the Cooperative Law and public administrative units having investment projects belong to the domains or geographical areas entitled to investment incentives attached with the technology transfer activities of which technologies do not</p>		

No.	Reference	Issues	Suggestions
	on the list of technologies restricted from transfer.		
21.	Article 9.6.d The existing regulations establish that one of the requirements of the support is that a business must “be in <i>stable</i> business and <i>sound</i> financial health”	What should be understood as being in “stable” business” and “sound” financial health? These concepts are more on the qualitative side, and may entail different interpretations and give too much discretion to the officials handling the procedures. Meanwhile, they are the very criteria to be met for a business to receive support or not, thus they may have a direct impinge on what benefits a business may have.	<u>We urge that the drafting team</u> makes specific the aforementioned terms, and if it is impossible to have in place more measurable criteria, we suggest that these criteria be removed. <u>The same suggestion</u> is put forward for the rules in Article 9.6.d and paragraph 2, Article 14.6.b.
22.	Application dossier for funding support (Article 10.1) The draft rules that the application dossier for funding support must be comprised of: - (1) Scientific biography of the individual registered as the team leader for a study or project, and other individuals	The requirement for the abovementioned documents must be considered on the following angles: - Document (1): the governance objective is unknown as to what the scientific biography of the person registering as a study or project team leader is needed for? Note that this is not part of the criteria to be met to qualify for the support under Article 9.6 of the draft. For that reason, <u>we suggest that the drafting team</u> removes this document as a requirement from the application dossier. - Documents (2) and (3): it is unclear what exact types of documentation will meet this requirement. <u>We urge that the drafting team</u> makes specific the type of documentation required. Additionally, it should be noted that many other requirements (of Article 9.6) are not reflected in the dossier (for example, the requirement that “if a technology to be transferred must be owned by a ST institution”, the incorporation approval of the ST institution will be required). And in case of the “technology	We therefore <u>recommend that the drafting team</u> designs the application dossier requirements in better alignment with corresponding rules. <u>A same suggestion</u> applies for the documentation components of an application for funding support by firms, organizations and individuals engaging in reverse engineering business (Article 15.1 of the draft).

<i>No.</i>	<i>Reference</i>	<i>Issues</i>	<i>Suggestions</i>
	<p>registering as key implementers;</p> <ul style="list-style-type: none"> - (2) Written verification of consent by coordinating scientific and technological institutions executing the study or project, if any; - (2) Written proof that the study or project serving the purpose of technology transfer or application has been approved by a relevant authority under the Ministry of Science and Technology or local science and technology regulatory agency; - (3) Legal proof of the adequate capacity in 	<p>to be transferred must be a high or new technology”, from which authority authentication must be obtained that it is indeed a high or new technology?, etc.). This happens when these documents are needed to know if the applicant fully meets key eligibility criteria to receive the support.</p>	

No.	Reference	Issues	Suggestions
	terms of human resources, equipment, finances and ability to raise capital from other sources to execute the study or project.		
23.	Article 10.2: Work process	<p>Application assessment panel: As established in the draft, a competent regulatory agency will put together a project assessment board to review the dossier. The draft, however, does not include any rule on the composition of this assessment panel and what set of rules the panel relies on to operate. This may result in implementing challenges. Thus, we <u>suggest that the drafters</u> set clear rules on the aforementioned issues. <u>A same suggestion</u> applies to Article 23.4 of the draft.</p> <p>Turnaround time: The draft sets the “turnaround time for support applications no longer than 60 business days after acceptance of a complete and eligible application”, but gives no rules on the timeline for relevant regulatory authorities to establish that an application is eligible and complete, which means that there is no way to know when an application may be considered as complete and eligible since it was initially lodged. The uncertainty with this timeline may also cause the entire review and approval process to last longer and create opportunities for corruption or harassment from the handling officials.</p>	To mitigate such risks, <u>we recommend that the drafters</u> make specific the turnaround time to review if an application is complete and eligible, and if any changes or updates are needed to the dossier, the handling official only need to ask for them once.
24.	Article 12. Use of secured property rights for loan	According to Article 12, only the scientific research findings and technological development funded by the state budget can be used as property rights to secure loan transactions for the	Review this issue. According to Article 35 TT Law, it can be understood that loan incentives are applicable to all enterprises, regardless of whether their research findings

No.	Reference	Issues	Suggestions
	<p>transactions 1. The ownership, right of use and the right arising from the scientific research findings and technological development funded by the state budget with acceptance, recognition and assignment of ownership and rights of use according to the provisions of The law on the management and use of public property can be used as property rights to secure loan transactions for the purpose of technology incubation, incubation of science and technology enterprises, implementation of start-up projects, creative industries,</p>	<p>purpose of incubation of technology, incubation Science and technology enterprises, implementation of innovative projects, commercialization of technology.</p> <p>However, according to Article 35 TT Law 2017, all enterprises are entitled to use their ownership, use rights and other rights arising from the results of scientific research and technological development, intellectual property subject matters as collaterals, regardless of whether they are funded by the state budget or not.</p> <p>Article 35. Promotion and encouragement for enterprises to use and renovate technologies</p> <p>2. <i>Enterprises are entitled to use their science and technology development funds to make investment, contribute matching funds, receive matching funds to invest in technology renovation, technology incubation, science and technology business incubation, innovation startups, commercialization of their scientific research and technological development results and other expenditures in accordance to the law on science and technology.</i></p> <p>3. <i>The right to own or the right to use and other rights which arise from scientific research and technological development results or intellectual property objects which can be valued shall be considered as property rights.</i></p> <p><i>The National Foundation for Science and Technology Development, the National Technology Innovation Fund or credit institutions are entitled to receive the property rights defined in this Clause to guarantee for investment loans of science and technology projects, innovation startups, or development of scientific research and technological</i></p>	<p>and technology development are state-funded or not.</p> <p>This provision favors state-funded scientific research and technological development but "ignores" private enterprises and foreign investors. This is not in line with the spirit of the Technology Transfer Law 2017 that encourages research and development of science and technology in all economic strata and sectors.</p> <p>This provision limits incentives within the state sector - discouraging technology investment for the private sector which can lead to the fact that many businesses want to adopt modern technology for their project but can't ask for loan.</p>

No.	Reference	Issues	Suggestions
	<p>commercialization of technology.</p> <p>3. Conditions for scientific research findings, technological development and intellectual property to be taken as collateral for loan transactions: a) Scientific and technological research findings funded by the state budget and testified with acceptable results and transferred according to the law on technology transfer and law on management and use of public assets...</p>	<p><i>development results.</i></p>	
25.	<p>Article 14.4 lists available support as: “loan interest rate support for investment projects of businesses engaging in reverse</p>	<p>But it is unknown what is meant by key products, targeted products and national products, or in what regulatory instruments the definitions of these products are given.</p>	<p><u>We propose that the drafters</u> either make specific what these products are or give reference to governing legislation.</p>

No.	Reference	Issues	Suggestions
	engineering and technology mastering that serve research, manufacturing and testing of <i>key products, targeted products and national products.</i> ”		
26.	Article 14.5.b	While Article 14.5.b refers to activities specified in d), e) and f), Article 14.3, on how to know what the maximum available support is, paragraph 3 of this Article has no such e) and f) sub-paragraphs.	The <u>drafting team</u> may want to take a look at this to ensure accuracy in reference making.
27.	Eligibility criteria for support recipients: Article 14.6 of the draft establishes the eligibility criteria to be met to receive the support, one of which requires that the applicant must "be sufficiently enabled and capable to deliver”.	This is at best an unclear rule, as it is hard to know what “sufficiently enabled and capable to deliver” exactly mean?	<u>We suggest that the drafters</u> give elaboration on this to facilitate application and implementation.
28.	Article 19 Providing financial support to organizations	This may be conflict with the provision in the IP Law (Article 135) concerning remuneration to authors / inventors of the invention / industrial design / layout design: <ul style="list-style-type: none">• 10% of revenue gained by patent owner from the use of	We suggest that the parties can agree otherwise and there is no “minimum” remuneration.

No.	Reference	Issues	Suggestions
	and individuals investing in scientific research and technological development with results that are transferred and applied in practice	<p>the invention/industrial design/layout design;</p> <ul style="list-style-type: none"> • 15% of total amount of money received by patent owner on each payment upon the granting of a license of the invention/industrial design /layout design. <p>Also, the parties can agree otherwise and there is no “minimum” remuneration.</p>	
29.	<p>Article 20</p> <p>How funding support may be provided to organizations or individuals investing their own resources in scientific research and technological development with the outcomes transferred and applied in real life</p>	<p>Article 20 of the draft provides rules on the procedures and steps that must be taken to receive the funding support in this case. The proposed procedure in Article 20, however, lacks clarity in the following:</p> <ul style="list-style-type: none"> - How long is the turnaround time for this procedure after an application is accepted? - What are the agencies handling the procedure? While the draft puts it as a “science and technology regulatory authority”, there is no definition of what a competent science and technology regulatory authority might be, for example, must an application be lodged to a Department of Science and Technology, or the Ministry, or any other bodies? When should it be lodged to the Department and when the Ministry? - The regulations on the required documentation of the dossier are not clear enough: for example, what can be understood as “documents evidencing that the outcomes have been effectively transferred and applied in real life”. 	<p>To ensure transparency is achieved in the regulations on administrative procedures, we <u>suggest that the drafting team</u> makes the abovementioned points more specific.</p> <p><u>A similar suggestion</u> applies to the procedure for purchasing and studying to perfect inventions and ideas to be handed over for community uses in Article 23 of the draft.</p>
30.	<p>Article 30:</p> <p>Strategies to promote the formation of</p>	<p>The draft establishes that “entities and individuals engaging in technology brokerage, consulting and promotion through research facilities and educational institutions, and creating networks linking technology consulting and transfer efforts domestically and internationally <i>may be considered</i> as</p>	<p><u>We propose that the drafters</u> further elaborate the aforementioned points to facilitate application and implementation.</p>

No.	Reference	Issues	Suggestions
	networks connecting domestic and international technology consulting and transfer efforts	<p>candidates for overseas training ...”.</p> <p>The draft, however, provides no rules on the procedure, steps and eligibility criteria that may apply to these entities for them to be considered for overseas training, as well as regulations pertaining to such overseas training trips.</p>	
31.	Article 32: Eligibility requirements applied specifically to technology pricing appraisal service providers	<p>- <i>Human resources requirements:</i></p> <p>The human resources requirements of the draft are different than those for price appraisal institutions specified in the Pricing Law, where the former are more demanding (the Pricing Law requires that these institutions must have a minimum three price appraisers, whereas the draft requires five, and so on).</p> <p>It is unclear why higher requirements need to apply to price appraisal institutions in this field. What may set this business apart from the rest of the price appraisal landscape in general, and how higher requirements may address such unique nature?</p> <p>Added to that, it should be noted that the price appraisal process and liability of price appraisers of the draft will also depend on the current pricing laws, and to that extent, setting higher requirements, for example, more skilled personnel than required by price appraisal firms, seems unjustified.</p> <p>- <i>Physical infrastructure requirements:</i></p> <p>The requirements integrated in the draft do not respond well to the unique nature of a technology price appraisal institution, as they may apply to any other price appraising firms (headquarters, database and information systems used for price appraisal purposes).</p> <p>On the other hand, building these requirements in the draft is</p>	<p>In order to facilitate businesses’ practice and meet the unique needs of technology price appraisal efforts, we <u>recommend that the drafters</u> make adjustments in ways that requiring commercial price appraisers to have a certificate for completion of a price appraisal training course for technology and intellectual property, and keeping the required staff size unchanged and similar to what is required of a generic price appraising firm, or a minimum 03 price appraisers.</p> <p><u>We propose that the drafters</u> remove the regulations on headquarters, and instead replace them by measurable requirements for the remaining physical facilities, and in case such quantifiable level cannot be achieved, we suggest removing these rules all together.</p> <p><u>A similar suggestion</u> applies to the eligibility requirements for issuance of certificates for qualified technology</p>

No.	Reference	Issues	Suggestions
		<p>unnecessary, because from a business perspective, companies have to meet such requirements as a matter of course.</p> <p>That is not to mention some other uncertainties, for example, what is considered legitimate headquarters? What documentation systems and databases for technologies, markets, and corporate finances, or links with domestic and foreign databases, and so on, are needed to deliver and provide services in the respective fields of expertise?</p>	<p>assessment and technology quality control service providers in Article 33.4 of the draft.</p>
COMMENTS ON LAW ON TECHNOLOGY TRANSFER (2017)			
32.	<p>Article 30. Applications, process and procedures for granting Technology Transfer Licenses c) The original in Vietnamese or certified copy of the technology transfer contract...</p>	<p>In cases where the transferred technology is part of an investment project, capital contribution in form of technology, commercial franchise, intellectual property right transfer or purchase and sale of machinery and equipment as specified in Article 5.2, does the Applicant need to submit the <i>chapter/section/part on technology transfer</i> only or the <i>whole contract of the project</i>? This unspecified regulation may cause difficulties in implementation because sometimes, a project contract can include hundreds of pages.</p>	<p>Clarify this issue in the implementing Decree.</p>
33.	<p>Article 31. Registration of technology transfer 6. State management agencies in charge</p>	<p>- According to Article 23, transferred technology specification is already required in technology transfer contents. Why is it separated in this Article? - What can be understood as against regulations of this Law?</p>	<p>Clarify these issues in the Decree. It should be specified that the contract will be refused for registration without sufficient contents stipulated in Article 23 of TTL 2017. Also, the decree should detail the situations where contents of the contract is considered “contrary to the TT Law”. Since there are 13 mandatory contents for a registered contract as stipulated in Article 23, such unclarified provision can result in shortcomings and errors in registration procedures.</p>

<i>No.</i>	<i>Reference</i>	<i>Issues</i>	<i>Suggestions</i>
	<p>of science and technology shall refuse applications for Registration Certificate of technology transfer in the following cases:</p> <p>b) A technology transfer contract does not specify transferable technology or technology transfer contents;</p> <p>c) The content of the technology transfer contract is against regulations of this Law.</p>		