

LAW

ON HIGH TECHNOLOGIES

*Pursuant to the 1992 Constitution of the Socialist Republic of Vietnam, which was amended and supplemented under Resolution No. 51/2001/QH10;
The National Assembly promulgates the Law on High Technologies*

Chapter I

GENERAL PROVISIONS

Article 1. Scope of regulation

This Law provides for hi-tech activities and policies and measures to encourage and promote hi-tech activities.

Article 2. Subjects of application

This Law applies to Vietnamese organizations and individuals, overseas Vietnamese and foreign organizations and individuals engaged in hi-tech activities in Vietnam.

Article 3. Interpretation of terms

In this Law, the terms below are construed as follows:

1. *High technology* means a technology which has a high scientific research and technological development content; is integrated from modern scientific and technological achievements; can turn out environmentally friendly products of superior quality and utilities and high added value; and plays an important role in the formation of a new production or service industry or the modernization of an existing production or service industry.

2. *Hi-tech activities* means hi-tech research, development, seeking, transfer and application; hi-tech human resource training; hi-tech incubation or hi-tech enterprise incubation; hi-tech production and hi-tech service provision; and hi-tech industrial development activities.

3. *Hi-tech product* means a product turned out with high technology, which is environmentally friendly and has superior quality and utilities and high added value.

4. *Hi-tech enterprise* means an enterprise turning out hi-tech products, providing hi-tech services and conducting hi-tech research and development activities.
5. *Hi-tech application agricultural enterprise* means an enterprise applying high technologies to turn out agricultural products of high quality, yield and added value.
6. *Hi-tech industry* means an econo-technical industry turning out hi-tech products and providing hi-tech services.
7. *Hi-tech incubation* means a process of creating, improving and commercializing a high technology from technological ideas, scientific research results or an unimproved high technology through supporting necessary technical infrastructure, resources and services.
8. *Hi-tech enterprise incubation* means a process of forming and developing a hi-tech enterprise through supporting necessary technical infrastructure, resources and services.
9. *Hi-tech nursery or hi-tech enterprise nursery* means a facility providing favorable conditions in necessary technical infrastructure, resources and services for hi-tech incubation or hi-tech enterprise incubation.
10. *Hi-tech human resources* means a contingent of qualified and skilled persons meeting the requirements of hi-tech research, development and application activities, hi-tech services, management of hi-tech activities, and operation of hi-tech production equipment and lines.

Article 4. State policies towards hi-tech activities

1. To mobilize investment resources and apply in a coordinated manner mechanisms and measures to offer the highest land, tax and other incentives for hi-tech activities with a view to promoting the leading role of high technologies in scientific and technological development for socio-economic development, defense and security maintenance, environmental protection, and improvement of the quality of people's life.
2. To speed up the application, research, mastering and creation of high technologies and hi-tech products: to form and develop a number of hi-tech industries; to raise the competitiveness of products, and participate in stages creating high added value in the global supply system.
3. To concentrate investment in developing hi-tech human resources up to regional and international level: to apply special incentive mechanisms and policies for training, attracting and effectively employing hi-tech human resources at home and abroad and talented youth in hi-tech research, teaching and incubation, hi-tech enterprise incubation and other hi-tech activities.
4. To encourage enterprises to raise their hi-tech application capacity and invest in hi-tech development; to facilitate the formation of a network of medium- and small-sized enterprises providing support products and services for the hi-tech industry.

5. To allocate state budget funds and apply a special financial mechanism for hi-tech tasks, programs and projects and the import of high technologies which are important to socio-economic development and defense and security maintenance.

Article 5. High technologies prioritized for development investment

1. Hi-tech development investment will be prioritized in the following technological domains:

a/ Information technology;

b/ Biotechnology;

c/ New material technology;

d/ Automation technology.

2. Based on socio-economic development, defense and security requirements, the Government may adjust and supplement technological domains prioritized for hi-tech development investment specified in Clause I of this Article.

3. High technologies prioritized for development investment in the technological domains specified in Clauses 1 and 2 of this Article must be in line with the world's advanced and modern scientific and technological development requirements and trends, promote the country's advantages, be feasible, and satisfy any of the following conditions:

a/ Having great impacts on and bringing about high benefits for socio-economic development and defense and security maintenance;

b/ Contributing to the modernization of existing production and service industries;

c/ Playing a decisive role in the formation of new production and service industries with high competitiveness and socio-economic benefits.

4. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation a list of high technologies prioritized for development investment and objectives and implementation roadmaps and solutions, as well as their modifications and supplementations.

Article 6. Hi-tech products encouraged for development

1. Hi-tech products encouraged for development mean hi-tech products which can be turned out with technologies on the list of high technologies prioritized for development investment and satisfy the following conditions:

a/ Having a high added-value ratio in the product value structure;

b/ Being highly competitive and creating great socio-economic benefits;

c/ Being exportable or able to substitute imports;

d/ Contributing to raising the national scientific and technological capacity.

2. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation a list of hi-tech products encouraged for development in each period of national socio-economic development, and its modifications and supplementations.

Article 7. Hi-tech international cooperation

1. To expand international cooperation in hi-tech research, application and development, especially with scientifically and technologically advanced countries, territories, foreign organizations and individuals, transnational corporations and foreign business groups, in accordance with Vietnamese law and treaties to which the Socialist Republic of Vietnam is a contracting party.

2. To encourage and facilitate Vietnamese organizations and individuals to participate in hi-tech international cooperation programs and projects, international societies and associations and other organizations; to attract foreign organizations and individuals and overseas Vietnamese to conduct hi-tech activities in Vietnam.

3. To step up international cooperation in hi-tech human resource development, giving priority to hi-tech training cooperation with regional and world advanced universities, colleges and vocational schools; to attract and effectively employ highly qualified persons and talented youth in hi-tech research, leaching and incubation and hi-tech enterprise incubation and development in Vietnam.

4. To implement the international scientific and technological integration roadmap and step up the seeking and transfer of advanced technologies into Vietnam with a view to raising the hi-tech mastering and creation capability of domestic research and training organizations and enterprises.

Article 8. Prohibited acts

Abusing hi-tech activities to harm national interests, defense, security or lawful rights and interests of organizations or individuals.

2. Conducting hi-tech activities that adversely affect human health or life, morality and fine customs and traditions of the nation, or damage the environment or natural resources.

3. Infringing upon hi-tech intellectual property rights.

4. Illegally disclosing or supplying hi-tech secrets.

5. Committing forgery or deceitful acts to enjoy the State's incentives for hi-tech activities.
6. Illegally obstructing hi-tech activities.

Chapter II

HI-TECH APPLICATION, RESEARCH AND DEVELOPMENT

Article 9. Hi-tech application

1. The State encourages hi-tech application activities in compliance with state policies provided for in this Law and other relevant laws.
2. The application of high technologies on the list of those prioritized for development investment is eligible for incentives or supports in the following cases:
 - a/ Use of hi-tech research results for technology renewal, product renewal or increase of the added value of products;
 - b/ Trial production;
 - c/ Mastering and adaptation of imported high technologies to Vietnam's practical conditions.

Article 10. Measures to promote hi-tech application

1. Organizations and individuals conducting hi-tech application activities specified in Clause 2, Article 9 of this Law are entitled to the following incentives and supports:
 - a/ The highest incentives under the laws on land, enterprise income tax, value-added tax, import duty and export duty;
 - b/ Financial supports from the national hi-tech development program and other state budget funds;
 - c/ Other incentives as provided for by law.
2. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation specific regulations on the competence and procedures for certification of hi-tech application organizations and individuals to be entitled to incentives or supports specified in Clause 1 of this Article.

Article 11. Hi-tech research and development

1. The State encourages hi-tech research and development activities for socio-economic development, defense and security maintenance and environmental protection.

2. The research and development of high technologies on the list of those prioritized for development investment are eligible for incentives and supports in the following cases:

a/ Hi-tech research and application;

b/ Research for creating high technologies to substitute imported technologies;

c/ Research for creating new high technologies.

Article 12. Measures to promote hi-tech research and development

1. Organizations and individuals conducting hi-tech research and development activities specified in Clause 2, Article 11 of this Law are entitled to the following incentives and supports:

a/ The highest incentives under the laws on enterprise income tax, value-added tax, import duty and export duty;

b/ Partial or whole funds from the national hi-tech development program, in case their hi-tech research and development application results bring about socio-economic, defense, security or environmental benefits;

c/ Financial supports and assistance from other funds reserved for hi-tech research and development, training of hi-tech human resources or hi-tech transfer.

2. Investors of projects to build hi-tech research, development and application facilities may be allocated land without having to pay land use levy or with land-use tax exemption or reduction under the land law.

3. Laboratories or research institutions formed as a result of association between organizations and individuals for the research and development of high technologies on the list of those prioritized for development investment may be partially allocated funds from the national hi-tech development program for research and operation equipment procurement.

4. The Ministry of Science and Technology shall:

a/ Prioritize the allocation of annual state budget funds reserved for scientific and technological activities for the research and development of high technologies on the list of those prioritized for development investment and hi-tech products on the list of those encouraged for development;

b/ Assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation specific regulations on the competence, order and procedures for certification of hi-tech research and development organizations and individuals eligible for incentives and supports specified in Clauses 1, 2 and 3 of this Article.

Article 13. Encouragement of hi-tech transfer

1. Organizations and individuals that transfer high technologies for hi-tech research and development or hi-tech product manufacture and trading are entitled to the highest incentive level under the law on technology transfer and other relevant laws.

2. The State earmarks funds for the import of high technologies and hi-tech machinery and equipment which cannot yet be manufactured at home for the implementation of important socio-economic, defense and security projects.

Article 14. Development of the hi-tech market, information and services to support hi-tech activities

1. The State encourages organizations and individuals to join in developing the hi-tech market and provide hi-tech brokerage, consultancy, assessment, appraisal and inspection services; and creates favorable conditions for organizations and individuals to provide technical consultancy, investment, legal, financial, insurance, intellectual property rights protection and other services with a view to promoting hi-tech activities and sale and use of hi-tech products.

2. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with other ministries and ministerial-level agencies in, establishing hi-tech databases and information infrastructure; and create favorable conditions for organizations and individuals to access, use and exchange hi-tech information, and to organize and participate in national and international hi-tech markets, fairs and exhibitions.

3. Ministries, ministerial-level agencies and provincial-level People's Committees shall take measures to support and facilitate domestic and foreign organizations and individuals to organize and participate in hi-tech markets, fairs and exhibitions.

Chapter III

HI-TECH DEVELOPMENT IN ECONO-TECHNICAL SECTORS

Article 15. Development of hi-tech industries

1. Hi-tech development in industry will focus on the following principal tasks:

a/ Manufacture of hi-tech products and provision of hi-tech services;

b/ Development of hi-tech enterprises;

c/ Training of human resources for hi-tech industries;

d/ Building of allied industries for the development of hi-tech industries.

2. Based on the list of high technologies prioritized for development investment and the list of hi-tech products encouraged for development specified in Articles 5 and 6 of this Law, the Ministry of Industry and Trade shall assume the prime responsibility for, and collaborate with the Ministry of Science and Technology and concerned ministries and ministerial-level agencies in submitting to the Prime Minister for approval plans to develop a number of hi-tech industries and their allied industries, and organizing the implementation of the approved plans.

3. Ministries, ministerial-level agencies and provincial-level People's Committees shall organize the implementation of the Prime Minister-approved plans to develop hi-tech industries and their allied industries in domains or localities under their management.

Article 16. Hi-tech development in agriculture

1. Hi-tech development in agriculture will focus on the following principal tasks:

a/ Selection, creation and propagation of plant varieties and animal breeds of high yield and quality;

b/ Epidemic prevention and control;

c/ High-yield cultivation and animal raising;

d/ Manufacture of farm supplies, machinery and equipment;

e/ Preservation and processing of agriculture products;

f/ Development of hi-tech application agricultural enterprises;

g/ Development of hi-tech agricultural services.

2. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and collaborate with the Ministry of Science and Technology and concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for approval plans on hi-tech development in agriculture.

3. Ministries, ministerial-level agencies and provincial-level People's Committees shall organize the implementation of the Prime Minister-approved plans on hi-tech development in agriculture.

Article 17. Manufacture of hi-tech products

1. Newly established enterprises under investment projects on the manufacture of products on the list of hi-tech products encouraged for development are entitled to the highest incentives under the laws on land and import duty; if satisfying all the conditions specified in Clause 1, Article 18 of this Law, they are entitled to the highest incentives under the laws on enterprise income tax, value-added tax and export duty.

2. Vietnam-based enterprises which manufacture products on the list of hi-tech products encouraged for development are prioritized in the selection of those to participate in state budget-funded projects.

3. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for approval plans to develop the manufacture of hi-tech products on the list of those encouraged for development; and for promulgation regulations on the competence, order and procedures for certification of enterprises eligible for incentives or supports specified in Clause 1 of this Article.

Article 18. Hi-tech enterprises

1. A hi-tech enterprise must satisfy all the following conditions:

a/ It manufactures hi-tech products on the list of those encouraged for development under Article 6 of this Law;

b/ Its average total expenditure for research and development activities carried out in Vietnam for 3 consecutive years equals at least 1% of its total annual turnover, and over 1% of its total turnover from the fourth year;

c/ Its average turnover from hi-tech products for 3 consecutive years equals at least 60% of its total annual turnover, and at least 70% of its total turnover from the fourth year;

d/ The number of its laborers with a university or higher degree personally involved in research and development activities accounts for at least 5% of its total workforce;

e/ It applies environmentally friendly and energy-saving solutions to production and product quality management up to Vietnam's standards or technical regulations; in case Vietnam's standards or technical regulations are unavailable yet. it must apply standards of international specialized organizations.

2. Hi-tech enterprises which satisfy all the conditions specified in Clause 1 of this Article are entitled to the following incentives and supports:

a/ The highest incentive level under the laws on land, enterprise income tax, value-added tax, import duty and export duty;

b/ Financial supports from the national hi-tech development program for training, research and development or trial production.

3. Organizations and individuals are encouraged to establish hi-tech enterprises.

4. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, submitting

to the Prime Minister for promulgation regulations on the competence and procedures for recognition of hi-tech enterprises for a specified period.

Article 19. Hi-tech application agricultural enterprises

1. A hi-tech application agricultural enterprise must satisfy all the following conditions:

a/ It applies high technologies on the list of those prioritized for development investment under Article 5 of this Law to agricultural production;

b/ It conducts hi-tech research and application testing activities for agricultural production;

c/ It turns out agricultural products of high quality, yield, value and benefits;

d/ It applies environmentally friendly and energy-saving measures to agricultural production and agricultural product quality management up to Vietnam's standards or technical regulations. In case Vietnam's standards or technical regulations are unavailable, it shall apply standards of international specialized organizations.

2. Hi-tech application agricultural enterprises which satisfy all the conditions specified in Clause 1 of this Article are entitled to the following incentives and supports:

a/ The highest incentives under the laws on land, enterprise income tax, value-added tax, import duty and export duty;

b/ Financial supports from the national hi-tech development program for research, testing, training or technology transfer.

3. Organizations and individuals are encouraged to establish hi-tech application agricultural enterprises.

4. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and collaborate with the Ministry of Science and Technology and concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation regulations on the competence and procedures for recognition of hi-tech application agricultural enterprises for a specified period.

Article 20. Encouragement of the establishment of hi-tech enterprises

1. Science and technology organizations, lecturers, researchers and students may themselves establish or cooperate with other organizations or individuals in establishing hi-tech enterprises.

2. Science and technology organizations which themselves establish or cooperate with other organizations or individuals in establishing hi-tech enterprises are entitled to the following incentives and supports:

a/ Assignment of the right to use or own scientific and technological research results under state ownership for the establishment of hi-tech enterprises;

b/ Public science and technology organizations may contribute part of state assets under their management for the establishment of hi-tech enterprises;

c/ Incentives for hi-tech enterprises.

3. State management agencies and science and technology organizations shall create favorable conditions for lecturers, researchers and students to establish or join in establishing hi-tech enterprises in accordance with this Law and other relevant laws.

Article 21. Hi-tech nurseries or hi-tech enterprise nurseries

1. Hi-tech nurseries or hi-tech enterprise nurseries have the function to provide favorable conditions in necessary technical infrastructure, resources and services for organizations and individuals to improve high technologies and form and develop hi-tech enterprises in the incubation period.

2. A hi-tech nursery or hi-tech enterprise nursery must satisfy all the following conditions:

a/ Having technical infrastructure and professional managerial staff that meet the hi-tech incubation or hi-tech enterprise incubation requirements;

b/ Having technological, intellectual property, legal, financial and business administration consultants;

c/ Being capable of cooperating with production, research and training institutions in hi-tech incubation or hi-tech enterprise incubation activities.

3. The Ministry of Science and Technology shall specify conditions on hi-tech nurseries or hi-tech enterprise nurseries.

Article 22. Measures to promote hi-tech incubation or hi-tech enterprise incubation

1. Investors that build and operate hi-tech nurseries or hi-tech enterprise nurseries are entitled to the following incentives and supports:

a/ Allocation of land free of land use levy or with land use tax exemption, for land used for building hi-tech nurseries or hi-tech enterprise nurseries;

b/ The highest incentives under the laws on enterprise income tax, value-added tax, import duty and export duty;

c/ Partial funds from the national hi-tech development program and other state budget funds for hi-tech incubation or hi-tech enterprise incubation activities.

2. Organizations or individuals that implement hi-tech incubation or hi-tech enterprise incubation projects in nurseries are entitled to the following incentives and supports:

a/ The highest incentives under the laws on enterprise income tax, value-added tax, import duty and export duty;

b/ Partial funds from the national hi-tech development program and other state budget funds for their operation.

3. The State will invest or join in investing in building a number of important hi-tech nurseries or hi-tech enterprise nurseries.

Article 23. The national hi-tech development program

1. The national hi-tech development program aims to promote hi-tech research and application for creating high technologies and hi-tech products at home and forming and developing hi-tech industries.

2. The national hi-tech development program will concentrate hi-tech development investment resources in a number of key technological domains suitable to the country's practical conditions; and attract domestic and foreign scientists, technologists and entrepreneurs to work for it.

3. The national hi-tech development program has the following major tasks:

a/ To determine roadmaps and measures to apply and develop high technologies on the list of those prioritized for development investment and hi-tech products on the list of those encouraged for development;

b/ To select subjects, projects and schemes for the performance of the tasks specified at Point a of this Clause;

c/ To develop hi-tech human resources;

d/ To support organizations and individuals in conducting hi-tech activities according to its objectives and tasks;

e/ To perform other tasks defined by the Prime Minister.

4. Financial sources for implementation of the national hi-tech development program include:

a/ State budget funds reserved for the program, which are not included in annual state budget expenditures for scientific and technological activities;

b/ State budget and non-state budget funds;

c/ Contributions and financial supports from Vietnamese organizations and individuals, overseas Vietnamese and foreign organizations and individuals.

5. The implementation of the national hi-tech development program is specified as follows:

a/ The Prime Minister shall direct the organization, examination and evaluation of the program implementation;

b/ The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries and ministerial-level agencies in, formulating contents and tasks of, and managerial and financial mechanisms applicable to, the program, and submitting them to the Prime Minister for approval;

c/ Based on the approved national hi-tech development program, ministers, heads of ministerial-level agencies and provincial-level People's Committee presidents shall perform their assigned or decentralized tasks.

6. In the course of implementation of the national hi-tech development program, to attain the objective set forth in Clause 1 of this Article and implement state policies towards hi-tech activities, the Government shall, when appropriate, submit to the National Assembly for consideration and decision special policies and mechanisms, applicable to the program.

Article 24. Venture investment in hi-tech development

1. Venture investment in hi-tech development means investment in hi-tech research and development, formation and development of enterprises applying high technologies, manufacturing hi-tech products and providing hi-tech services, in the form of capital contribution and provision of consultancy to organizations and individuals receiving investments.

2. The State encourages and creates conditions for domestic organizations and individuals, overseas Vietnamese, foreign organizations and individuals and international organizations to join in venture investment in hi-tech development and establish a hi-tech venture investment fund in Vietnam.

3. Organizations and individuals making venture investments in developing high technologies on the list of those prioritized for development investment are entitled to the highest enterprise income tax incentives under tax laws.

Article 25. The national hi-tech venture investment fund

The national hi-tech venture investment fund is a state financial institution which allocates capital and provides consultancy services for organizations and individuals to establish and develop enterprises applying high technologies, manufacturing hi-tech products or providing hi-tech services.

2. Financial sources constituting the national hi-tech venture investment fund include:

a/ The fund's charter capital allocated from the state budget, which will be added with stale budget funds in the course of operation;

b/ Financial supports and contributed capital of domestic and foreign organizations and individuals;

c/ Revenues from the fund's activities;

d/ Lawfully raised capital.

3. Eligible for investment from the national hi-tech venture investment fund are organizations and individuals having hi-tech ideas and trading in high technologies, having hi-tech creation research results or having high technologies which need improvements; and medium- and small-sized enterprises having projects on hi-tech application, manufacture of hi-tech products or provision of hi-tech services.

4. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with the Ministry of Finance in, submitting to the Prime Minister to decide to set up, and promulgate a Regulation on organization and operation of, the national hi-tech venture investment fund.

Chapter IV

HI-TECH HUMAN RESOURCES

Article 26. Hi-tech human resource development policies

1. Hi-tech human resource development is a pivotal task of the national education and training system, aiming to implement stale policies towards hi-tech activities specified in this Law and other relevant laws.

2. Hi-tech human resource training must be linked with hi-tech practical conditions and hi-tech application and development tasks to meet industrialization and modernization requirements: must ensure the quantity, quality and rational structure of hi-tech human resources, and their effective employment and satisfactory treatment.

3. Hi-tech human resources shall be trained to achieve a complete structure and adequate qualifications, including scientists, researchers, technologists, managers, technicians and technical workers.

4. The Stale creates favorable conditions for domestic and foreign organizations and individuals to join in hi-tech human resource development: earmarks budgets and resources for and provides the highest incentive level under law for hi-tech human resource development.

Article 27. Hi-tech human resource training

1. Annual education and training budgets must include funds for selecting pupils and students with excellent learning achievements, lecturers, researchers, technologists, managers, technicians and technical workers for overseas training or retraining in high technologies prioritized for development investment under Article 5 of this Law.
2. State-funded hi-tech application and development programs, projects and schemes may earmark funds for hi-tech human resource training according to their approved objectives, contents and tasks.
3. Persons directly involved in performing the national hi-tech development program's tasks are prioritized in the selection of those to attend domestic and overseas refresher courses under the State's training programs.
4. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with the Ministry of Education and Training and concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for decision plans and measures to train hi-tech human resources under hi-tech application and development programs, projects and schemes.

Article 28. Hi-tech human resource-training institutions

1. The State encourages organizations and individuals to invest or enter into joint ventures or cooperation with other organizations in investing in building hi-tech human resource-training institutions.
2. Hi-tech human resource-training institutions are eligible for the following incentives and supports:
 - a/ The highest incentive level under the laws on land, enterprise income tax and import duty;
 - b/ Financial supports from scientific and technological funds and other funds;
 - c/ Funds from the national hi-tech development program to cover some or all of hi-tech human resource training expenses for the performance of the program's objectives and tasks.
3. Scientific research and technological development organizations and hi-tech human resource-training universities may be allocated training funds by the State.
4. The State will concentrate investment in building a number of hi-tech human resource-training institutions up to international standards.
5. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with the Ministry of Education and Training, the Ministry of Labor, War Invalids and Social Affairs and concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation regulations on the competence, conditions and procedures for certification of hi-tech human resource-

training institutions eligible for incentives and supports specified in Clause 2 of this Article, and for approval investment plans to build a number of hi-tech human resource-training institutions up to international standards.

Article 29. Attraction and employment of hi-tech human resources

1. The State adopts particularly preferential mechanisms and policies for attracting and employing hi-tech human resources, including:

a/ Creating a working and living environment favorable for hi-tech activities;

b/ Implementing salary, allowance and insurance regimes:

c/ Appointing hi-tech specialists to key positions for the performance of the Stated scientific and technological tasks;

d/ Granting the highest personal income tax incentives;

e/ Creating favorable conditions for participation in hi-tech international cooperation activities;

f/ Honoring and commending persons with outstanding achievements.

2. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with the Ministry of Finance and concerned ministries and ministerial-level agencies in, submitting to the Prime Minister for promulgation mechanisms and policies specified in Clause I of this Article.

Chapter V

TECHNICAL INFRASTRUCTURE FOR HI-TECH ACTIVITIES

Article 30. Hi-tech infrastructure development

1. The State encourages organizations and individuals to invest in building hi-tech infrastructure, including hi-tech parks, hi-tech application agricultural parks, hi-tech research institutions, hi-tech nurseries or hi-tech enterprise nurseries, and information infrastructure, to meet hi-tech development requirements.

Based on socio-economic development requirements and tasks and hi-tech development tasks, the State concentrates investment in building a number of hi-tech parks and hi-tech application agricultural parks.

Article 31. Hi-tech parks

1. Hi-tech park is a place where hi-tech research, application and development; hi-tech incubation or hi-tech enterprise incubation; hi-tech human resource training; hi-tech

product manufacture and trading; and hi-tech service provision activities are concentrated and connected.

2. Tasks of a hi-tech park:

a/ To conduct hi-tech research, application and development; hi-tech incubation or hi-tech enterprise incubation; hi-tech human resource training; hi-tech production; or hi-tech service provision activities;

b/ To connect hi-tech research and application, hi-tech human resource training, and hi-tech production activities;

c/ To train hi-tech human resources;

d/ To organize fairs, exhibitions and displays of hi-tech products turned out as a result of hi-tech research and application;

e/ To attract domestic and overseas resources for promoting hi-tech activities.

3. Conditions for establishment of a hi-tech park:

a/ Such establishment must be compliant with the State's policies on hi-tech and hi-tech industrial development and tasks defined in Clause 2 of this Article;

b/ The park must have an appropriate area and a location favorable for transport and linkage with high-level research and training institutions;

c/ The park must have favorable technical and service infrastructure meeting the requirements of hi-tech research, application and development; hi-tech incubation or hi-tech enterprise incubation; hi-tech trial production; or hi-tech service provision;

d/ The park must have professional human resources and managerial staff.

4. The Ministry of Science and Technology shall assume the prime responsibility for, and collaborate with concerned ministries, ministerial-level agencies and provincial-level People's Committees in, submitting to the Prime Minister to decide to set up, and promulgate operation regulations of, hi-tech parks.

Article 32. Hi-tech application agricultural parks

1. Hi-tech application agricultural park is a hi-tech park concentrating on the application of hi-tech research and development achievements to agriculture for the performance of tasks defined in Clause 1, Article 16 of this Law.

2. Tasks of a hi-tech application agricultural park:

a/ To research the application of, test and demonstrate hi-tech agricultural production models;

b/ To link hi-tech research and application and production activities in agriculture;

c/ To train hi-tech human resources in agriculture;

d/ To organize fairs, exhibitions and displays of agricultural products with hi-tech application;

e/ To attract hi-tech investments and human resources at home and abroad for conducting hi-tech application in agriculture.

3. Conditions for establishment of a hi-tech application agricultural park:

a/ Such establishment must be compliant with the agricultural development strategy and plans and tasks defined in Clause 2 of this Article;

b/ The park must have an area and natural conditions suitable to each type of agricultural production, and a location convenient for cooperation with high-level research and training institutions;

c/ The park must have adequate technical and service infrastructure meeting the requirements of research, training, testing and demonstration for hi-tech application in agriculture;

d/ Having professional human resources and managerial staff.

4. The Ministry of Agriculture and Rural Development shall assume the prime responsibility for, and collaborate with the Ministry of Science and Technology and concerned ministries, ministerial-level agencies and provincial-level People's Committees in, submitting to the Prime Minister for decision the setting up of hi-tech application agricultural parks, and for promulgation their operation regulations.

Article 33. Measures to promote investment in building technical infrastructure for hi-tech development

1. The land use planning must identify land areas reserved for building infrastructure for hi-tech development.

2. Investors in building technical infrastructure in hi-tech parks or hi-tech application agricultural parks are entitled to the highest incentives under the land law, for land for building hi-tech research and training institutions; hi-tech nurseries or hi-tech enterprise nurseries; facilities to test, demonstrate or manufacture hi-tech products or agricultural products with hi-tech applications, or provide hi-tech services; information, transport, electricity and water infrastructure, executive offices and waste treatment systems in hi-tech parks

3. The State supports the building of information, transport, electricity and water infrastructure, executive offices and waste treatment systems in hi-tech parks or hi-tech application agricultural parks.

4. Other incentives provided for by the Government according to its competence.

5. Provincial-level People's Committees shall, within the ambit of their powers and tasks, conduct ground clearance and create favorable conditions for organizations and individuals to invest in hi-tech parks or hi-tech application agricultural parks.

Chapter VI

IMPLEMENTATION PROVISIONS

Article 34. Effect

This Law takes effect on July 1, 2009.

Article 35. Implementation detailing and guidance

The Government shall detail and guide this Law's provisions it is assigned to specify, and guide other necessary contents of this Law to meet state management requirements.

This Law was passed on November 13, 2008, by the XIIth National Assembly of the Socialist Republic of Vietnam at its 4th session.

**CHAIRMAN OF THE NATIONAL
ASSEMBLY**

Nguyen Phu Trong