## ASIA-PACIFIC

### CHINA

#### Strategy for innovation-driven development

China has unveiled a guideline for a national strategy that maps out three major steps to promote the country's innovation-driven development. The document, jointly published by the Central Committee of the Communist Party of China (CPC) and the State Council, pledges to build China into an innovative nation by 2020, and an international leader in innovation by 2030. The blueprint vows to make China a world powerhouse of scientific and technological innovation by 2050, the third step of the strategy.

Innovation-driven development requires making innovation the primary driving force for development, according to the document. It also calls for integration of innovation in scientific and technological fields as well as in systems, management and business models. The guideline demands efforts to construct a new driving force for development and to build a national innovative system. It also highlights quality and efficiency of development and the leading role of innovative factors. Moreover, it urges promoting the talent pool and stimulating mass innovation to implement the strategy, while pledging greater investment in innovation.

The document puts forward missions for developing technology in information networks, modern agriculture, energy, environmental protection, oceanic and space industries and health and service industries. Research in fields related to the country's strategic demands and which helps solve bottlenecks in the country's long-term development and national security should be strengthened, it said.

*http://news.xinhuanet.com*

#### Manufacturers prioritise growth, R&D: survey

Growth opportunities and increased spending on research and development (R&D) are key priorities for China's manufacturing executives, according to an annual KPMG global survey released. The report surveyed 360 senior executives, including 36 from China, across 6 industries – aerospace and defence, automotive, conglomerates, medical devices, engineering and industrial products and metals.

About 95% of Chinese respondents indicated that growth was a high or extremely high priority in the next 2 years, compared to just two-thirds in the last 24 months. More than 62% of China's executives plan to spend over 6% of revenue on R&D over the next 2 years, whereas less than half of global respondents plan to do the same, according to the survey.

'China's own manufacturers are keen to move up the value chain and expand their global footprint, bringing not only competition but also opportunities for collaboration', according to Daniel Chan, Co-Sector Head of KPMG China's industrial manufacturing department. China remains a significant market that cannot be ignored by the manufacturers looking for growth. Foreign investors, who are able to bring innovation and investment into new technologies, should find strong growth opportunities in China, Chan said. Meanwhile, up to 94% of China's executives plan to enter new geographic markets in the next 24 months, whereas 89% said that they intend to enter new sectors, according to the survey.

*http://news.xinhuanet.com*

### INDIA

#### National intellectual property rights policy approved

Recently, the Union Cabinet has approved the National Intellectual Property Rights (IPR) Policy that will lay the future roadmap for intellectual property in India. The policy recognises the abundance of creative and innovative energies that flow in India, and the need to tap into and channelise these energies towards a better and brighter future for all.

The National IPR Policy is a vision document that aims to create and exploit synergies between all forms of intellectual property (IP), concerned statutes and agencies. It sets in place an institutional mechanism for implementation, monitoring and review. It aims to incorporate and adapt global best practices to the Indian scenario. This policy shall weave in the strengths of the Government, R&D organisations, educational institutions, corporate entities including MSMEs, start-ups and other stakeholders in the creation of an innovation-conducive environment, which stimulates creativity and innovation across sectors, as also facilitates a stable, transparent and service-oriented IPR administration in the country.

The policy recognises that India has a well-established TRIPS-compliant legislative, administrative and judicial framework to safeguard IPRs, which meets its international obligations while utilising the flexibilities provided in the international regime to address its developmental concerns. It reiterates India's commitment to the Doha Development Agenda and the TRIPS agreement.

*http://pib.nic.in*

#### Funding support for innovation

To boost innovation in the country, National Institution for Transforming India (NITI) Aayog has invited applications from schools, institutions and individuals seeking financial support for setting up research laboratories under the Atal Innovation Mission (AIM). With a view to give substantial boost to the innovation ecosystem and to catalyse the entrepreneurial spirit in the country, Finance Minister in his Budget Speech 2015–16 had announced that the government's intention to establish AIM in NITI Aayog with an initial sum of INR 500 crore.

NITI Aayog is inviting applications from eligible schools/organisations and individuals to apply for the three major schemes under AIM, it said in a release. First scheme will be for establishing tinkering laboratories in schools, whereas the second scheme will be for establishing new incubation centres. And the third scheme will be for scaling-up established incubation centres. It further said that to foster creativity and scientific temper in students, AIM will establish 500 Atal Tinkering Laboratories (ATL) in schools. It will provide a one-time establishment grant-in-aid of INR 10 lakh for establishing ATLs (Grade VI–XII) across India. In addition, an amount of INR 10 lakh would also be provided for each ATL over a period of 5 years for operational expenses of ATLs. Thus, an amount of INR 20 lakhs per ATL in each selected school will be spent. AIM will also provide financial support to academic and non-academic institutions (companies/technology parks/group of individuals) to establish new incubation centres across India. These will be called as Atal Incubation Centres (AIC). They will be established in subject-specific areas such as manufacturing, transport, energy, health, education, agriculture, water and sanitation. AIM's objective is to set-up 100 AICs during FY17.

AIM will provide a grant-in-aid of INR 10 crore for establishing an AIC over a period of 5 years towards capital investment as well as operation and maintenance of expenses. AIM will also provide scale-up support of INR 10 crore over a period of 2 years to established incubation centres for augmenting their capacity. They will be shortlisted based on the key performance indicators. Both these schemes will radically transform the start-up ecosystem in the country by creating a network of incubation centres of world-class standards, it said.

The guidelines for the implementation of these schemes have been developed after multiple intensive stakeholders consultations. A competitive approach will be used for the selection of applicants for establishing the above facilities. Applicants desirous of participating in these schemes can refer to the AIM guidelines on www.niti.gov.in and submit their applications online.

*http://www.business-standard.com*

## MALAYSIA

### R&D products to be commercialised

The Ministry of Science, Technology and Innovation (MOSTI) is on track to commercialise 145 new R&D products by year-end. The products, which will become the special key performance indicators (KPIs) in conjunction with Malaysia Commercialisation Year 2016 (MCY 2016), are developed by 26 research institutes nationwide comprising 13 research agencies, 5 research universities and 8 technology development agencies.

'Currently, we are introducing the products to the industry players and companies', said Minister Datuk Seri Madius Tangau. He was speaking to reporters after officiating the pre-launch of MCY 2016, on Tuesday. Madius has also launched the MCY 2016 logo, slogan and theme song, as well as two products, namely 'My Fon' and 'Quantum Brakepads' at the ceremony.

Meanwhile, Madius has expressed confidence that the ministry could achieve the target of commercialising 150 new products by year-end. 'With 145 products already in hand, it should be no problem for us to achieve the 150 KPIs this year', he said. Earlier, Mosti has identified 150 KPIs for the 25 research institutes to fast-track new innovations and inventions, and to-date four new products have been introduced this year. The four products – Malaysian Integrity Test, Smart Lock-up System, My Fon and Quantum Brakepads – have been commercialised, whereas the others will be introduced in stages.

*http://www.dailyexpress.com.my*

## PAKISTAN

### Regulations for SME financing revised

The State Bank of Pakistan (SBP) has revised regulations for small and medium-sized enterprises (SMEs) financing to facilitate promotion of the sector.

The SBP has amended prudential regulations issued on May 07, 2013 and allowed guarantees of only sponsor directors would be obtained as personal guarantee in case of limited companies. As per other amendments, for small enterprises annual sales turnover upper limit has been increased from INR 75 to INR 150 million and upper limit regarding the number of employees has also been enhanced from 20 to 50 employees. Further, an entity has to fulfil both the criteria of number of employees and sales turnover for categorisation as small enterprise.

However, in cases where an entity fulfils one parameter of SE and its second parameter falls within the range prescribed for medium enterprise (ME) or above the upper limit prescribed for ME, then the subject entity shall be classified as ME or commercial/corporate entity, the Central Bank said. For small enterprises, maximum per party exposure limit has been increased from INR 15 to INR 25 million. Besides, the banks/Development Financial Institutes (DFIs) are now also allowed to deduct the liquid assets held under their perfected lien for the purpose of calculation of per party exposure limit.

Banks/DFIs have been directed to obtain a copy of audited financials from small enterprises for exposure above INR 15 million. General Reserve requirement against non-fund-based small enterprises portfolio has been abolished through latest amendments. Furthermore, for calculation of general reserve, netting of liquid securities has been allowed, the State Bank of Pakistan said. For immediate declassification of loans to small enterprises, the condition of 50% payment in cash of restructured loan amount has been replaced with 35% cash payment.

The State Bank of Pakistan has amended the definition for medium enterprises and parameters of annual sales turnovers and number of employees revised upward. As per revised parameter, number of employees 51–250 for manufacturers in MEs and 51–100 in trading having annual sales turnover above INR 150 million to INR 800 million will be classified as the medium enterprises. Further, an entity has to fulfil both the criteria of number of employees and sales turnover for categorisation as medium enterprise, the State Bank of Pakistan said.

Medium enterprises now avail financing (including leased assets) up to INR 200 million from a single bank/DFI or from all banks/DFIs. Besides, the banks/DFIs are now also allowed to deduct the liquid assets held under their perfected lien for the purpose of calculation of per party exposure limit, the SBP said. The changes are applicable with immediate effect, the State Bank of Pakistan said. However, since the banks/DFIs need to segregate their existing portfolio according to the revised definition of small and medium enterprise, banks/DFIs are allowed an implementation period up to September 30, 2016 for the purpose of existing portfolio, it added.

*http://www.thenews.com.pk*

## PHILIPPINES

### Innovation hubs for business start-ups, SMEs

The Department of Trade and Industry (DTI) is looking to set up three more innovation hubs catering to start-ups this year, thereby offering coworking spaces to technology-based micro, small and medium enterprises (MSMEs). This was announced at the soft launch of the DTI's first 'Negosyo Center Plus: Innovation Hub' – an iteration of the agency's one-stop shop Negosyo Centers – that specifically caters to the start-ups, at the DTI International Building in Makati City. The project is done through the Export Marketing Bureau (EMB), an attached office of the DTI, in support of the SlingshotMNL initiative to create an 'innovation ecosystem' nationwide.

Trade Secretary, Adrian Cristobal said that the hub provides space for the start-ups to meet with prospective clients, network with government-agency experts and conduct businesses, under the guidance of concerned government agencies. EMB Director, Senen Perlada said that enabling innovation is a key goal in the Philippine Export Development Plan (PEDP), the export component of the PEDP.

The PEDP underscores that having a National Innovative System (NIS) plays a part in enhancing the innovative capacity of the export sector. Part of the NIS is providing an avenue for interaction and collaboration between and industries, which is what the innovation centres provide. The innovation centres will serve as venues where technology-based start-ups can meet and pitch ideas to investors, as well as collaborate with similar start-ups. Aside from the EMB, the DTI's 'Innovation Circle' – DTI agencies and bureaus tasked to spur innovation in their programme – is spearheaded by the Philippine Trade Training Center and the Intellectual Property Office of the Philippines. It is also assisted by the Department of Science and Technology.

The 3-year PEDP, the government's primary blueprint for development, details government agencies' specific goals and projects for the medium term to achieve growth. The DTI considers the establishment of these innovation centres – essentially Internet-enabled venues for collaboration of 'technopreneurs' with limited resources – to fulfil the PDP's goal for industry developments. The DTI has set up a total of 180 Negosyo Centers nationwide that aid small and medium enterprises in business registrations, provides business advisory, and business information and advocacy.

*http://www.businessmirror.com.ph*

## REPUBLIC OF KOREA

### Fund to promote biotech start-ups

The Republic of Korean government has come up with measures to promote the ecosystem of the bio-sector, which is considered as the nation's next-generation growth engine. It has decided to end the R&D projects carried out by various agencies and focus on investing in the development of stem cells and gene therapy, which have far reaching powers. It will also create funds with 80 billion won (US$67.62 million) to support bio-start-ups, and carry out '10 projects', which will fill up the vacuum of the bioindustry ecosystem, by injecting 130 billion won (US$109.89 million) for 3 years.

The Ministry of Science, ICT and Future Planning (MSIP) has announced that it considered and confirmed 'bioindustry promotion strategy in the medium term' and '10 bio-creative economy vitalisation projects' at the second Bio Special Committee meeting held by National Science & Technology Council on May 25.

The bioindustry is widely viewed as the nation's next growth engine after IT, as Hanmi Pharmaceutical has recently signed a large-scale export deal for new drug technology and Celltrion Samsung Bioepis pushed into the global biosimilar market. When looking into the industry, however, it is not full of rosy forecasts. The government's R&D budget for the bio-sector this year amounts to 2.77 trillion won (US$2.34 billion), the second largest amount in the overall technology sectors. But, they are going to separate small and short-term projects in various agencies and the rate of commercialisation R&D stands at only 3%. The industry also shows a small number of start-ups. The number of bio-venture start-ups plunged from 71 in 2007 to 2 in 2013. Since private investors are reluctant to make a high-risk and long-term investment, the companies also see a low growth rate. Currently, 69% of bio companies couldn't pass the break-even point.

To fill up the blank of such industry ecosystem and create the virtuous cycle, the government will drive the mid-range strategy by 2018. It will first raise the R&D investment in the bio-sector by more than the increase in the overall R&D budget, and focus on its R&D investment strategy and the investment in developing 19 suggested future growth engines, such as stem cells and gene therapy, converged diagnosis and treatment device and body replacement and assistive device. The MSIP will play a concrete role in 'basic', the Ministry of Health and Welfare in 'clinical trials', the Ministry of Trade, Industry and Energy (MOTIE) in 'commercialisation' and Korea Food & Drug Administration in 'permission'. Then, the government will end similar or overlapping projects from next year. In a bid to crate the bio-start-up ecosystem, it will create two funds with 80 billion won (US$67.62 million) – 30 billion won (US$25.36 million) from the MOTIE and 50 billion won (US$42.27 million) from Small and Medium Business Administration – to support the start-ups. It will also foster regional clusters by coming up with 'advanced medical complex operation efficiency strategy' by September this year.

In addition, the government will carry out 10 bio-specialised projects. For open innovation with the cooperation of industry, academic and institutes, it will help companies with 'matching R&D' based on their demand and establishment of special purpose firms for corporate R&D. The MSIP will invest 130 billion won (US$109.89 million) in the programme in the next 3 years.

*http://www.businesskorea.co.kr*

## R&D funding for IoT, new drugs, robotics

The Republic of Korean government has decided to invest intensively in nine sectors (including new drugs, medical equipment and the IoT) while restructuring government-funded R&D projects that have been underperforming. The Ministry of Science, ICT and Future Planning (MSIP) said on May 23 that the government will focus its R&D efforts on nine sectors. The announcement came after the MSIP held the first R&D budget allocation and adjustment meeting since the launch of the Science and Technology Strategy Office.

The nine sectors are software and content; new drugs and medical devices; energy storage and renewable energy; manufacturing-based technology and robotics; food, animal |husbandry and veterinary science; aviation, satellites, offshore and polar projects; rail and road transportation and atmospheric sciences (e.g., meteorology, the environment, health and weather forecasts). The nine sectors were finalised at the 10th National Science and Technology Council meeting, which took place in January presided over by Prime Minister Hwang Kyo-ahn and Co-chairman Lee Jang-moo.

Financial resources needed for funding R&D projects in the nine sectors will be procured by aggressively restructuring government-funded R&D projects that are either struggling or considered less important. Each relevant ministry will cut its R&D budget roughly 10% by restructuring underperforming R&D projects.

*http://www.koreaittimes.com*

## Midterm strategy on bioindustry

The Republic of Korea has mapped out a 3-year comprehensive plan on Wednesday to boost the bio-sector by investing more in R&D on stem cells and gene therapy. In the coming 3 years, the government will also strive to resolve 'structural' problems in efforts to promote the industry, widely viewed as the nation's next growth engine after IT. The decision was made at the second Bio Special Committee meeting chaired by Hong Nam-ki, Vice Minister of science, ICT and future planning.

The panel, composed of 20 senior government officials and civilian experts, serves as the 'control tower' of South Korea's bio-related policy. Its inaugural session was held in March. 'Bio is the next key industry to lead South Korea's growth after IT', Hong said. 'We will make joint efforts with other related ministries to make the results of today's meeting effective in creating a new future growth engine'.

The ministry has pointed out that South Korea has a long way to go to enhance the competitiveness of its bioindustry despite sharp growth in R&D investment, technology and market size. It admitted some structural setbacks, such as lack of a co-ordinated strategy and overlapping projects by government offices and relevant institutions. The government has decided to focus on three main fields – developing new medicine and medical devices, and preventing the spread of infectious diseases, the ministry said. It will expand the R&D budget for the development of stem cells and gene therapy, and create funds with 80 billion won (US$67 million) to support bio-start-ups. It also plans to lower the bar for local bio-firms to be listed on the tech-heavy KOSDAQ market.

*http://english.yonhapnews.co.kr*

# SRI LANKA

## National R&D proposal approved

The National R&D Proposal, which outlines the necessary interventions from a science and technology standpoint to solve development-related national problems, has been approved by the Cabinet, Senior Professor of Physics, Professor Dammika Tantrigoda said.

Emeritus Professor at the Department of Physics of the Faculty of Applied Sciences of the University of Sri Jayewardenepura, Professor Tantrigoda has added that 10 areas including water, food, nutrition and agriculture, health, shelter, energy, the environment, textiles and apparel, information and communications technologies and knowledge services, basic sciences and emerging technologies, in which science and technology can be of help to intervene and solve problems that had been identified.

He explained that the above-said interventions included the formulation of policies, pure and applied research, the application of biotechnology, the application of nanotechnology, the application of computer technology, the application of indigenous technology and the testing, standardising, accreditation and popularising of intellectual property rights.

'These focus areas have subareas where the problems associated with the areas where R&D is needed to solve matters is looked at. There are 500 interventions including policies, rules and regulations. Research-oriented towards national development and which addresses Sri Lanka's problems should be nourished', he observed.

*http://nation.lk*

## ADB support for small business venture capital fund

The Asian Development Bank (ADB) is to help Sri Lanka set-up a venture capital fund for small and medium-sized enterprises (SMEs) who face difficulties in getting access to finance. The support comes in response to a government request to the ADB to formulate a plan for a venture capital fund for SMEs, and is aligned with the lending agency's interim country partnership strategy. The ADB will provide technical assistance to help set-up the venture capital fund for SMEs, and has also been invited to contribute to it.

The fund will lend to responsible venture capital firms for a guaranteed minimum rate of return, with the venture capital firms making equity investments in small businesses. 'SMEs are responsible for 30% of the country's economic output and are critical for Sri Lanka's economic growth', the ADB said in a report. 'Despite their importance, SMEs struggle to access financing'. The ADB said that it will also assess the feasibility of an SME credit guarantee facility. 'Equity capital is still a constraint on SMEs. The venture capital industry is in a nascent stage, with only 0.1% of total assets in the financial system of Sri Lanka in 2014'. The bank said that this was partly due to a lack of risk management expertise and insufficient funding from long-term strategic investors for further growth.

*http://www.economynext.com*

## THAILAND

### Initiatives to boost capabilities, modernise SME products

To increase the potential of local businesses, Thailand's Ministry of Industry has initiated a project entitled 'SMEs Spring Up'. Atchaka Sibunruang, the minister for industry, chaired the opening of the 'SMEs Spring Up' project which aims to improve the abilities of small and medium-sized businesses in Thailand. More than 100 businesses have been recruited to join the project.

Under the 'SMEs Spring Up' project, the government will educate participating entrepreneurs on quality control, quality enhancement, innovation, R&D and leadership. In addition, they will learn how to successfully run a business through the eyes of experienced business persons and influential business figures. According to the Minister, 'SMEs Spring Up' is the first initiative of its kind. All participants will be followed up and evaluated throughout the entire project to ensure concrete and positive results.

In another development, the Small and Medium Enterprise Development Bank (SME Bank) has joined with Silapakorn University and Ubon Ratchathani University to organise 'Modern SMEs: Design & Story', a project seeking to modernise SME and OTOP products. The two universities are to create teams of design students who will work with business operators in their areas, helping them to improve the designs of their products and packaging. The project will be piloted in all the 4 regions as well as in the 3 southernmost provinces and will assist 100 SMEs. Participating businesses will be offered funding help by SME Bank.

*http://www.enterpriseinnovation.net*

## VIET NAM

### New law set to assist SMEs

The law on support to small and medium-sized enterprises (SMEs), which is being drafted, is set to facilitate the development of the firms making up 97% of the businesses in Viet nam. A 3-day consultation on the draft was opened in Ho Chi Minh City on June 9.

At a press conference as part of the event, Deputy Minister of Planning and Investment Dang Huy Dong said that in many developed countries, it is normal to have SMEs accounting for >90% of the enterprises. In Japan, ~99.7% of local companies are SMEs, and they are working effectively and greatly contributing to local development. It is a must to improve the view about SMEs in Vietnam as they generate 40% of total GDP and create jobs for 52% of the workforce, he noted. He admitted that Vietnamese SMEs are facing an array of difficulties in loan, land and technology access and market expansion. That fact partly explains the private economic sector's modest competitiveness and vulnerability to policy and social vagaries.

The law drafting, supported by USAID Governance for Inclusive Growth Programme, aims to provide a comprehensive approach for SME support. Dong said that under the draft law, there will be five SME support programmes that assist start-ups, give advice on production improvement, develop inter-sectoral connectivity and value chains, support innovation and help SMEs in integration. Some of the programmes will be applied for all SMEs, whereas others will focus on the most potential firms. Other incentives include a 5% reduction in the corporate income tax for up to five years from an SME's inception, along with preferential treatment during public procurement and in forming a distribution chain. In the draft, the Government also encourages commercial banks to give more loans to SMEs. Organisations and persons who provide support services for SMEs such as research institutes, universities and businesses will also receive certain benefits.

*https://www.vietnambreakingnews.com*

### Special policy to support start-ups and SMEs

Small and medium-sized enterprises (SMEs), start-ups and innovative enterprises are to receive special support from the government, according a resolution to support enterprise until 2020. Under the resolution, all enterprises, irrespective of type and sector, have equal right in access to resources like funding, land and investment.

Vo Tri Thanh, Deputy Director of Central Institute for Economic Management – the key government think tank, told VnExpress International, the resolution shows that the new Prime Minister is sending a message about his commitment to reform. However, 'it's a long road from intent to implementation', he added. The resolution signed by Prime Minister, Nguyen Xuan Phuc on May 16 aims that by 2020, Vietnam will have at least 1 million enterprises, which are competitive and sustainable. The private sector is to contribute as much as 49% of GDP and one-third of enterprises have innovative activities each year.

To achieve the above objectives, the resolution lays out five solutions, most of which are designed to support SMEs, start-ups and innovative companies. The reason for the recent focus on SMEs, according to Thanh, is the relative absence of medium-sized enterprises in Vietnam, which limit diffusion of FDI and technology. In addition, 'Vietnam is interested in developing the support industry', which relies on medium enterprises. On the other hand, 'it is unadvisable to focus on large state-owned enterprises as their the monopoly power harms the business environment'.

On the basis of the principle that the government should be serving the private sector, the resolution is geared towards creating a favourable ecosystem for start-ups and SMEs. This includes policies to encourage entrepreneurship and to provide financial support.

The Ministry of Planning and Investment will set up a Council to Encourage Development of SMEs with the Prime Minister as chairman. The council will coordinate and monitor implementation of SME policies. On the individual level, Vietnam plans to halve income tax for individuals working in hi-tech information technology, application of high-tech in agriculture and food processing. Universities are also to encourage their students to become entrepreneurs through a specially designed curriculum. Plans are in place to establish enterprise nurseries, support centres and programmes to encourage innovation and start-up under a public private partnership.

Funding for start-ups and SMEs will be more readily available as Vietnam will redesign the SME Development fund, the National Technological Innovation Fund and other private sector funds. Ministry of Agriculture and Rural Development will also design a mechanism to improve access and use of agricultural land by businesses while by Q3/2016 the Ministry of Finance will submit revised regulations on credit guarantee for SMEs through Vietnam Development Bank and Credit Guarantee Fund. Regarding costs, Ministry of Finance will study options to reduce taxes incurred by SMEs.

Enterprises in industrial zones would be able to use their land as collateral to take loans from banks and mobilise long-term funding after the Ministry of Natural Resources and Environment revises land regulations in Q3/2016.

Additionally, Ministry of Finance will devise a mechanism to allow revenue from land transfer to compensate for revenue from business operations. The Ministry of Science and Technology will introduce additional quality standards to help commercialise the products by enterprises. Procedures to apply for intellectual property are to be simplified while also better protecting this right.

Land rent and fees payable by enterprises, as well as expressway toll are to be lowered. The MOF will also study to revise Corporate Tax Law to expand on costs eligible for tax exemption, including capacity building, administrative support, advertising and marketing. Furthermore, Vietnam Chamber of Commerce and Industry will investigate and calculate official and unofficial costs incurred by enterprises and compare these with the region to propose a solution to reduce costs.

*http://e.vnexpress.net*

## Technology transfer law to be revised

The National Assembly Standing Committee (NASC) has agreed to fully adjust and supplement regulations of the Law on Technological Transfer which came into effect in 2006. In the September 13 meeting, the NA deputies heard the Government report on ten years of implementing the law. The report affirmed that the law had contributed to pushing up the domestic technological renovation and transfer in production which helped increase the competitiveness of businesses as well as the growth rate of the economy. However, the law needed to be adjusted to meet the demand of economic growth and in-depth international integration processes.

Minister of Science and Technology, Chu Ngoc Anh, told the meeting that "the adjustment of the current Law on Technological Transfer aims to create favorable conditions for technological transfer activities inside and outside Vietnam so as to help businesses renew the technologies." "The technology transfer activities would help Vietnamese businesses enhance their production capacity and competitiveness in both domestic and overseas markets", said Anh.

The draft of the adjusted law was built on renewal of State management on the technological transfer in accordance with trade liberation and international integration trends, Anh told the deputies. According to the report, the current law was revised and 16 out of 61 clauses were supplemented.

After discussion, the NASC agreed that the law should consider businesses as a core for technological renewal, application and transfer so as to increase the production capacity and competitiveness, and environment protection as well. The technological transfer must ensure support for the domestic technological and science market as well as preventing the transfer of outdated technologies to Vietnam.

*http://english.vietnamnet.vn*

## Ministry's fund lends SMEs

A Ministry of Planning and Investment fund will finance small- and medium-sized enterprises (SMEs) with a total amount of 660 billion VND (29.3 million USD) this year, an official said. Hoang Thi Hong, Director of the SME Development Fund, said that the funding is reserved for enterprises involved in innovative and creative activities, and those contributing to chains of production, processing and maintenance of agricultural, aquaculture and forestry products.

Companies involved in support industries for electronics, mechanics and sewage treatment, can also apply for funding. Firms can borrow between 10 billion VND and 25 billion VND for 18-24 months and a preferential interest rate of 5 percent per year. This is reportedly the first time the SME Development Fund lends money to enterprises since it was established in 2013 by a Government decision, with a charter capital of 2 trillion VND. The fund mandated the Bank for Foreign Trade of Vietnam, Bank for Investment and Development of Vietnam, and Housing Development Bank to disburse the loans.

Official data indicates Vietnam has about 500,000 operating enterprises, of which SMEs account for 97 percent. SMEs contribute some 46 percent to the national gross domestic product (GDP) and 31 percent of all tax revenues, while employing 60 percent of the country's workforce of more than 52.2 million people.

*https://m.vietnambreakingnews.com*