

# Technology Market Scan

## INTERNATIONAL

### South–South technology transfer facility

A new South–South technology transfer facility for the small island developing states (SIDS) was launched in Apia, Samoa on August 30, 2014 to transfer appropriate technologies from provider to recipient SIDS, in an effort to improve SIDS' access to the global market. Utilizing a public–private partnership approach, technology providers and investors from both southern and northern countries will be matched with the relevant business opportunities in SIDS.

The United Nations Office for South–South Cooperation (UNOSSC) launched the facility in partnership with the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries, and Small Island Developing States (UN-OHRLS) during the private sector partnerships forum, a pre-conference event convened by the UN-OHRLS on the occasion of the third international conference on SIDS hosted by the government of Samoa.

The launching of this facility was formally announced on September 1, 2014 during the multi-stakeholder partnership dialogues session on “Sustainable Economic Development.”

The facility, which will be implemented based on the model of UNOSSC's flagship platform, the South–South Global Assets and Technology Exchange (SS-GATE), was launched in a signing ceremony involving Ms. Heidi Schroderus-Fox, director of UN-OHRLS, representing Mr. Gyan Acharya, under-secretary-general and high representative for the LDCs, LLDCs, and SIDS; and Ms. Teresa Liu, chief of the division of development solutions and technology transfer of the UNOSSC, representing Mr. Yiping Zhou, director of the UNOSSC and the secretary-general's envoy on south–south cooperation. The signing was witnessed by Mr. Haoliang Xu, director of UNDP's regional bureau for Asia and the Pacific.

As an initial offering of the facility, UNOSSC hosted an online and on-site business

matchmaking space, which offered participants an opportunity to network and to communicate their needs and offers over the 2-day duration of the forum. Availing themselves of this innovative service were 48 enterprises from 15 countries, representing a range of sectors including tourism, agriculture, clean and renewable energies, telecommunications, and financial services. Three service agreements were signed, which will help connect participating companies to the wider SS-GATE network, currently spanning over 49 operational centers in 39 countries.

The establishment of a South–South technology transfer facility for the SIDS will help ensure that there is concrete follow-up to the commitments made during the conference, particularly in reference to the conference Outcome Document, which calls for strengthened technical assistance programs through expanded South–South and regional partnerships (Draft Outcome Document, Paragraph 109, Section E). As a response, the facility has already mobilized local, regional, and international partners, including the UNDP, who have expressed an interest in supporting the facility. A partnership MOU was signed between UNOSSC and the Pacific Island Private Sector Organization (PIPSO) to strengthen SS-GATE's regional presence in the Asia Pacific.

SS-GATE, which was launched by the UNOSSC in 2008, is a global platform that leverages South–South and Triangular cooperation to facilitate the exchange and transfer of technologies, innovative solutions, and assets between SMEs and other entities based primarily on developing countries. SS-GATE has received the general assembly's endorsement on multiple occasions, including during the High-level United Nations Conference on South–South Cooperation in Nairobi, Kenya, in 2009.

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<http://ssc.undp.org>

### Virtual reality knowledge transfer solutions to improve industrial skills

The United Nations Industrial Development Organization (UNIDO) is partnering with EON Reality Inc., a leading company in virtual reality (VR)-based knowledge transfer for industry, education, and educational entertainment. UNIDO sees augmented and virtual reality-based knowledge transfer solutions as affordable and effective tools for reducing poverty, increasing production capacity, and developing industrial skills in developing countries

EON and UNIDO's first joint pilot project is an augmented reality (AR) application, called Learning and Knowledge Development Facility (LKDF) Interact, which covers diesel engine operation for the Volvo Selam Vocational Training Center in Ethiopia. The Volvo Selam center is one of the partners of the LKDF project, which aims to support the establishment and upgrading of local industrial training academies in close partnership with the private sector. The concept behind LKDF Interact can be replicated in other UNIDO projects that focus on industrial skills development, especially projects in the heavy duty vehicle industry field.

“It is my firm belief that technology and innovation, and their successful transfer, are fundamental pillars of inclusive and sustainable industrial development. UNIDO has consistently been promoting awareness of new technologies, mechanisms to facilitate their transfer, and matchmaking between technology providers and those looking for new technologies. Without technology and innovation, industrialization will not happen, and without industrialization, development will not happen. Virtual reality technology is the next generation of expertise, which will be extremely useful for educators and will allow students to gain a deeper understanding on the topic at hand. The important factor

is that the technology has become affordable for the developing world," said Philippe Scholtes, managing director of UNIDO.

This is the first step in the collaboration between UNIDO's LKDF and EON Reality's Learn for Life Program, which brings augmented and virtual reality-based knowledge transfer to communities that need it the most. EON is currently engaged in several similar projects and is actively vetting locations to set up joint Interactive Digital Centers (IDCs) in Africa. These centers will support improved regional knowledge transfer through augmented and virtual reality as well as enabling the local population to develop the VR/AR content their communities need.

<http://www.unido.org>

### ASIA-PACIFIC

#### ADB ranks Japan and Republic of Korea as Asia's most innovative

A new creative productivity index developed by the Asian Development Bank (ADB) and Economist Intelligence Unit (EIU) ranks Japan and the Republic of Korea as countries most efficient in the Asia and Pacific region at turning creative inputs into tangible innovation. Myanmar, Pakistan, and Cambodia, by contrast, are ranked as the least efficient innovators.

"As countries seek to innovate to avoid middle-income traps, all governments—especially those with limited resources—need to be sure that their investments boost both efficiency and productivity, benefiting their economies and people, and move to a knowledge-based economy," said Bindu N. Lohani, vice president for knowledge management and sustainable development at ADB.

Creative productivity is an important attribute for knowledge-based economic development and the new index gives policymakers a unique tool to assess how to best foster innovation and creativity. While measures will differ by country, policies that make it easier to set up businesses and create flexible labor markets would benefit everyone, as would greater investment in education, skills, information and communications technologies, and internet access.

The creative productivity index differs from existing innovation-related indices by focusing on how efficiently countries turn their creative inputs into innovation outputs rather than just the absolute level of creative inputs. This allows countries to seek the most effective—and affordable—innovation investments. It also captures elements of creativity that are more relevant in less developed countries, such as agricultural innovation.

The index uses 36 input indicators to measure the capacity and incentives for innovation, including how many global top 500 universities a country has, the urbanization rate, spending on research and development, protection of intellectual property rights, and corruption and bureaucracy. The eight output indicators to measure innovation include the number of patents filed, export sophistication, value added to agriculture, and the number of books and films produced.

On innovation inputs alone, Singapore topped the rankings with strong political institutions, protection of intellectual property, and contract enforcement. Among Asian countries, Hong Kong, China topped the list in terms of innovation outputs due to a high level of export sophistication and its prolific film production industry.

<http://www.asianscientist.com>

### CHINA

#### R&D spending expands in 2013

China's spending on research and development (R&D) expanded in 2013, reaching 11.847 trillion yuan (about \$1.93 trillion), latest data from the National Bureau of Statistics (NBS) showed. R&D expenditures accounted for 2.08 percent of the country's gross domestic product (GDP) in 2013, compared to 1.98 percent in 2012, according to the NBS. R&D expenditure as a percentage of GDP is viewed as an important indicator to evaluate a country's investment in innovation.

China's spending on R&D has been rising rapidly since 1995 at an annual growth rate of 21.6 percent. R&D spending in 2013 was 33 times higher than that of 1995, the NBS data showed. In 1995, R&D expenditures accounted for only 0.57 percent of GDP.

<http://www.shanghaidaily.com>

#### High-tech imports, R&D encouraged

China will use tax breaks to encourage enterprises to upgrade their equipment and increase R&D efforts to improve the manufacturing industry. Companies that bought new R&D equipment and facilities after January 1 or possess minor fixed assets will have taxes reduced based on value, according to an executive meeting of the State Council, China's Cabinet, presided over by Premier Li Keqiang.

Imported high-tech equipment will also enjoy tax deductions in aviation, bio-medicine production, manufacturing of railway and ships, electronics production including computer and telecommunications, instrument production, and those used in making Information Technology (IT) products and software. The move aims to prompt technical improvement of companies, especially innovation of small and medium-sized enterprises, according to the meeting. The meeting also asked government organs to implement the new measures as soon as possible to arm "Made in China" with advanced technology and equipment, encouraging more competitive products with high added value.

Analysts believe that the measures will not only start a new round of innovation but also spur fixed asset investment, and in the bigger picture contribute to stabilizing economic growth. Zhu Jianfang, chief economist of CITIC Securities, said that the measures would lighten burdens of enterprises in the real term and prompt the upgrade of outdated equipment.

Combined tax deduction of A-share listed companies is expected to reach 233.3 billion yuan (\$38 billion) in the first year after the policy takes effect, equal to 7.8 percent of their total cash flow in 2013, according to the calculation of the Shanghai Stock Exchange (SSE).

<http://news.xinhuanet.com>

#### New policies to focus on small business growth

The State Intellectual Property Office (SIPO) released a range of new policies to support innovation and growth of micro businesses. The new policies, which

are designed to optimize the Intellectual Property(IP) development environment for small businesses, focus on improving public services and helping startups increase capabilities in innovation and using IP, according to SIPO.

"IP is an engine that powers the fast growth of small tech firms and earns them more profit margin," said He Hua, deputy commissioner of SIPO, at a press conference. A survey SIPO conducted in Chongqing found that small businesses with an IP edge generated profits seven times the amount of those without patents, He added.

About 11.7 million micro businesses operate in China. They generated some 60 percent of the country's GDP, contributed 65 percent of total invention patents and developed more than 80 percent of new products. "Yet most of them still stay at the low end of industrial chains and are badly in need of IP aid for their healthy and sustainable growth," He noted.

In China, the average life span of a small company is 3.7 years, which is much shorter than 8.2 years in the United States and 12 years in Japan. He said that a survey of 500 small German firms showed 20 percent lasted more than 100 years. With this in mind, the policymakers borrowed some successful practices from abroad to address issues such as difficulties filing patent applications and high costs in IP protection, the commissioner said.

SIPO will prioritize filings by small companies for their core patents and help them gain patent grants overseas, according to the new policies. IP authorities will increase financial aid earmarked for patent applications by small companies to help fund their industrialization. To help resolve the financing bottleneck, SIPO urged its branches across the country to partner with various financial organizations to channel more low-interest loans to small businesses and reduce patent insurance premiums.

Patent-collateralized loans surpassed 23.5 billion yuan (\$3.8 billion) in the first half of this year, a rise of 124 percent year-on-year. During the same period, more than 700 companies in 34 cities benefited from patent insurance.

The new policies also call for increased cooperation with research institutes and colleges and encourage state-owned enterprises to license idle patents to small businesses. Under the plans, an IP service network will extend from provinces and cities to townships and add liaisons at startup centers or small business incubators to enable easier access to professional services. Given that small companies tend to develop more utility models and industrial designs, two kinds of patents less complicated than invention patents, he said his office would add legal aid centers to advance mechanisms for rapid dispute settlements in small business clusters. Currently, there are 78 aid centers that serve small businesses across the country.

The new policies, which are part of the central government's efforts to back small businesses, provide a framework and direction, which will be followed by a series of specific initiatives and details soon, said Fan Jianyong, an official of SIPO's patent administration department.

In cooperation with the Ministry of Industry and Information Technology, SIPO promoted an IP strategy at 32 nationwide clusters of small- and medium-sized enterprises since 2009. The number of SMEs has grown about 20 percent annually in recent years, with SME patent filings hitting an average annual rise of 53.8 percent.

<http://www.chinaipr.gov.cn>

## INDIA

### R&D centers account for 33 percent of global services market

Research and Development (R&D) centers in India contributed \$18.3 billion, which is around one-third of the global R&D and services market. According to a study done by management advisory firm Zinnov, Indian engineering R&D(ER & D) services revenue will touch \$38 billion by 2020.

The study also pointed out to changing trends in the ER&D landscape that is undergoing rapid shifts with regard to the kind of services that can be outsourced. "With

Social, Mobile, Analytics, Cloud (SMAC), and Internet of Things (IoT), there is a fundamental shift in the way a company is looking at its outsourcing service provider," said Sundararaman Viswanathan, manager-consulting, Zinnov. He added that gone are those days when you just wanted to get some grunt R&D work outsourced to companies in India at cheaper rates. Industry watchers believe that while cost continues to be a factor, companies are more interested in outsourcing work that has a direct bearing on the business that they are in.

The study also ranked Wipro, TCS, and HCL as top ER&D providers. Wipro has a rich engineering services heritage and innovation in its DNA, industry leading lab infrastructure and eco-system connects and is a clear leader in Hi-Tech vertical, according to the report.

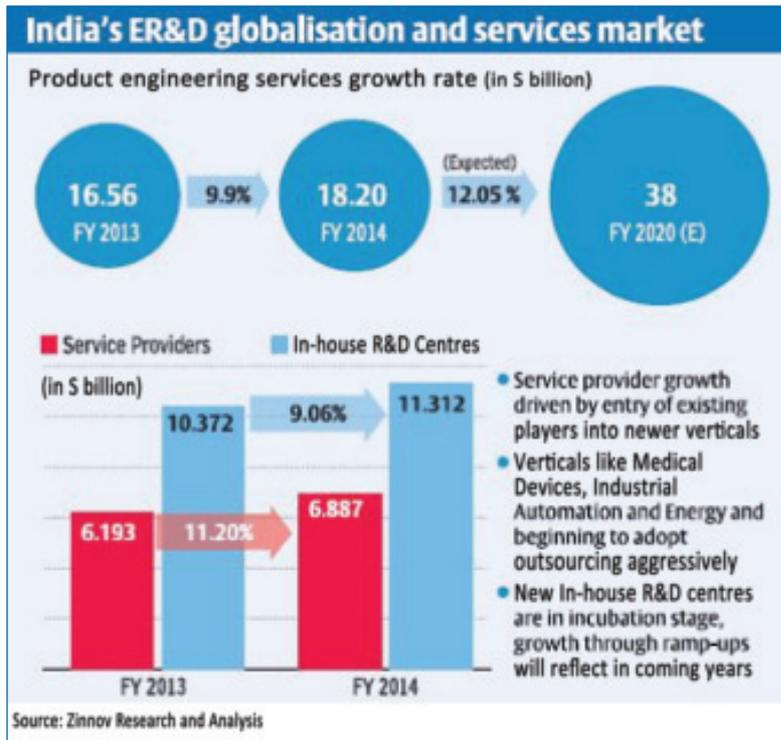
Similarly, top IT services exporter TCS has a highly diversified and mature R&D practice, which is demonstrated through its positioning in leadership zone across all verticals in which it operates. HCL with its positioning in the leadership zone across most of the verticals and its capability addition in medical devices and construction and heavy engineering continues to be a formidable ER&D player.

However, others such as Infosys and Tech Mahindra are closing the gap by diversifying into newer verticals by leveraging their embedded and software capabilities and exploring newer customer segments like first-time outsourcers and growth stage start-ups, according to Viswanathan.

<http://www.thehindubusinessline.com>

### Venture capital fund for R&D in pharmaceuticals to be set up

The Department of Pharmaceuticals (DoP) has released the Detailed Project Report (DPR) for setting up Venture Capital (VC) Fund for R&D in pharmaceuticals that proposes to provide a government "push" for the development of a focused VC industry which would promote entrepreneurship in the pharma R&D sector and support the development of a self-sustaining environment for pharma R&D in the country. The terms of each pharma fund would be largely market-driven. The



government would, in the first instance, allocate a total amount of Rs. 500 crore to be invested between all the pharma funds set up in pursuance of this project.

Government criteria for investment would require that each pharma fund commits to investing at least such amount in Indian companies for their pharma R&D activities (Innovative Pharma Companies) as is, the higher of Rs. 150 crore; and four times the amount sought as investment from the government. Beyond the amount required to be invested in Innovative Pharma Companies, the government would not seek to pre-determine the nature of the investments that may be made by the pharma fund, in order to permit the fund managers to formulate and implement a business model and investment strategy that is elective and marketable. This DPR sets out in detail the design for the project and the manner in which each pharma fund will be established and managed, the identities and roles of key stake-holders, and estimated event schedules and time-lines.

In terms of the proposed project design, the government would be an investor whose contribution to the Trust would be managed by the fund manager in terms of the contribution agreement entered into between the

government, trustee, and fund manager. In order to be eligible for investment by the government, the terms of each fund would need to be subject to certain specifications of the government and, in return, be entitled to certain financial incentives.

The VC funds make equity or equity-linked investments in young growth-oriented firms. The VC industry developed as a financing solution for high-risk, potentially high-reward projects that, due to the lack of substantial tangible assets, expected years of negative earnings, and uncertain prospects, are unable to raise funding from more traditional sources such as banks or capital markets.

Pharma R&D projects are a typical example of such "high-risk, potentially high-reward" projects that struggle to raise funding in the absence of a well-developed local VC industry. The Feasibility Report argued that providing a government "push" for the development of a focused VC industry would promote entrepreneurship in the pharma R&D sector and support the development of a self-sustaining environment for pharma R&D in India. It also discussed several "public venture capital" models that have been adopted both in India and abroad to achieve this objective.

The proposed implementation model for the project draws on the positive features of these experiences to construct a blueprint for one or more "Pharma Funds" that are professionally managed, mobilize investments from both the government and private investors, and focus on investing in pharma R&D projects. The DoP has invited comments from the stake-holders on the DPR.

<http://www.pharmabiz.com>

## PHILIPPINES

### IP enforcement system

The Intellectual Property Office of the Philippines (IPOPHL) is putting in place an effective system for IP enforcement as well as for adjudication of cases to strengthen protection of such rights here. "We aim to make the IP system work better and faster for our IP right holders. The continuing push to improve IP enforcement and adjudication in the country is aligned with our bigger objective of having a demystified, democratized, and a development-oriented IP system," IPOPHL director general Ricardo Blancaflor said in a statement.

The IPOPHL has already put in place policies and measures to make it easier to enforce IP rights, including capacity-building programs in the judiciary that are rolled out in partnership with government and private stakeholders such as the Philippine Judicial Academy and the Supreme Court. The seminars and workshops are being implemented to enhance the skills of commercial court judges, prosecutors and investigators, and clerk of courts in handling IP cases. Commercial courts for the speedy disposition of cases involving violations of IP rights have also been designated. The IPOPHL has likewise established mechanisms for alternative dispute resolution.

As part of efforts to strengthen Intellectual Property Rights (IPR) protection in the country, the IPOPHL is also forging partnerships with counterparts overseas to share best practices concerning copyright systems. Last month, the IPOPHL entered into a memorandum of understanding with the Korea Copyright Commission to share information on enforcement of copyrights. A similar partnership was also forged by the IPOPHL with Japan.

As of end-August, counterfeit items seized by the National Committee on Intellectual Property Rights (NCIPR) reached P8.03 billion, 45 percent higher than the P5.55 billion in the same period in 2013. Agencies that are part of the NCIPR are the National Bureau of Investigation, Bureau of Customs, Philippine National Police, Optical Media Board, and Food and Drug Administration. <http://www.philstar.com>

### **DOST pushes for patent increase**

In order to boost the country's position in the global competitiveness index through increased local patent filings, Department of Science and Technology (DOST) Secretary Mario G. Montejo opens DOST for partnership with patent professionals. "We are targeting 100 patent filings this year," Montejo explained on DOST's move to tap patent professionals to beef up the Department's patent applications. "The partnership will also pave way for better assistance to local inventors," he added.

Such partnership is in consonance to Montejo's drive to fast-track Technology Application and Promotion Institute (TAPI)-assisted patent applications in the country and to cater to both DOST-assisted technologies as well as private inventors. Montejo himself was an award-winning inventor before his stint as a Cabinet secretary. Thus, DOST-TAPI formally partnered with the Association of PAQE Professionals, Inc. (APP) through a memorandum of agreement (MOA) signed on September 16.

Engr. Edgar I. Garcia, director of TAPI, is optimistic that TAPI, through the collaboration, will be able to meet its patenting targets and assist local inventors obtain patent grants. These areas need special attention as the country's patenting statistics show very few local filings by Filipino residents compared with foreign-based patent applications. TAPI is mandated by Executive Order 128 to promote technology commercialization of the DOST and by Republic Act 7459 to assist local inventors.

The MOA, signed by Garcia and Atty. Bayani B. Loste, APP president, states that APP members will serve as patent agents of TAPI-financed patent applications. APP

also committed to allocate at least 20 applications per month as the minimum absorptive capacity for TAPI. These applications will be filed at the Intellectual Property Office (IPOPHL) within 22 working days. Last 2013, DOST-TAPI assisted 12 patent filings. For 2014, Sec. Montejo and TAPI are targeting 100 applications, 31 of which have been filed at present.

<http://www.philippinestoday.net>

## **REPUBLIC OF KOREA**

### **Smartphone patent applications**

Republic of Korea's two largest makers of high-tech — Samsung Electronics and LG Electronics — have made the most patent applications in the world in the fields of mobile phones and semiconductors, a report announced on June 23. Samsung also secured the largest number of patent applications in the smart media sector.

In 2013, Samsung Electronics ranked top in the number of patent applications in the mobile phone, semiconductor, and smart media sectors, according to a report titled "2014 State of Innovation: Twelve Key Technology Areas and Their Status of Innovation," released by US-based news company Thompson Reuters. Samsung had 2,179 patent applications in mobile telephony, 1,362 patent applications in semiconductor materials and processes, and 245 in smart media areas. These three areas are considered to be the core of smartphone technology.

LG followed with 1,678 patent applications for mobile phones, followed by Qualcomm of the US with 1,383 patent applications. Sony, Panasonic, and SHARP, all of Japan, followed suit, with 1,071, 976, and 963 applications, respectively.

<http://www.korea.net>

### **Government R&D patents utilization**

Although the government budget for R&D keeps increasing every year, with a corresponding increase in the number of patents, the quality level of these patents, including the proportion of outstanding patents, is very low. Furthermore, as the proportion of creative patents and the

usability of patents are also very low, the balance of intellectual property rights fees has been negative for several decades.

According to data of the Korean Intellectual Property Office released on October 7, the number of patents followed by government R&D businesses kept increasing from 14,131 cases in 2008 to 22,933 cases in 2012. Among the total number of patents applied for by Koreans, government R&D patents accounted for 11.1 percent in 2008, which increased to 15.5 percent in 2012.

Patent productivity (the number of patents per 1 billion won of R&D expenditure) has been 1.20 to 1.44 cases, four to five times higher than universities and public research institutions in Japan, the US, and Canada (0.2–0.48 cases) for the last 5 years.

However, the problems are the low quality performance of government R&D patents and a lack of superb patents. Especially, private and foreign-owned patents accounted for 4.5 percent and 27.3 percent of superior patents, respectively, based on the Patent Quality Index (PQI), but government R&D patents were only 3.6 percent. Among all patents in Republic of Korea, 23 percent were superior ones (based on SMART analysis), but only 16.4 percent were from government R&D.

Government R&D patents had low utilization as well. Professionals performed qualitative analysis on the government R&D patents in 2012, and they found out that only 1.4 percent of them were creative, and 0.6 percent had high inter-technology compatibility.

<http://www.businesskorea.co.kr>

### **Government to invest on science, technology, ICT R&D**

This year the Ministry of Science, ICT and Future Planning will invest 3.9520 trillion won (US\$35.78 billion) in research and development (R&D) on areas of science and technology and Information Communications Technology (ICT). The MSIF announced on Jan. 4 that it has confirmed the "R&D Business Comprehensive Implementation Plan," which invests 2.9037 trillion won (US\$2.63 billion) in Science and Technology and 1.0484 trillion won (US\$949.12 million) in ICT. The investment scale this year, which excludes research and operating expenses of the National

Research Council of Science and Technology and research institutes under the direct control from its total R&D budget of 6.5138 trillion won (US\$5.9 billion), is to grow 7.9 percent compared to last year.

By sector, technology development accounts for the largest part of the budget with 2.2508 trillion won (US\$2.04 billion), following basic research with 744.3 billion won (US\$673.88 million), foundation construction with 640.2 billion won (US\$579.63 million), commercialization and standardization with 161.7 billion won (US\$146.4 million), and science and technology and ICT manpower training with 155 billion (US\$140.33 million).

By project, technology development in ICT will receive the highest funding at 772.3 billion won (US\$699.23 million), following basic research at 744.3 billion won (US\$673.88 million), source technology development at 562 billion won (US\$508.83 million), creation of international science business belt at 440.5 billion won (US\$398.82 million), space technology development at 373.8 billion won (US\$338.43 million), and nuclear power research development at 314.6 billion won (US\$284.83 million).

Also, the total of 228.1 billion won (US\$206.52 million) will be invested in research on nuclear fusion, while 143.9 billion won (US\$130.29 million) will be invested in foundation construction in the ICT, 118.7 billion won (US\$107.47 million) in creating cooperation between academia and industry, commercialization and technical commercialization, 55.8 billion won (US\$50.52 million) in science technology globalization, and 28.4 billion won (US\$25.71 million) in ICT standardization.

<http://www.businesskorea.co.kr>

### Antitrust regulator puts excessive royalty demands on hold

In the future, Non-Practicing Entities (NPEs) won't be allowed to demand excessive patent royalties in Korea. Moreover, they will be unable to deny the application of FRAND principles or file unfair patent lawsuits. The Korea Fair Trade Commission (FTC) announced on Dec. 23 that it will implement revised guidelines for its review on the wrongful use of intellectual

property rights from Dec. 24. The guidelines are likely to affect patent disputes between Samsung Electronics and Apple. In particular, they are expected to somewhat dispel worries about the transformation of Nokia into an NPE resulting from the merger between Microsoft and Nokia.

The guidelines stipulate five types of abuse that NPEs perpetrate using their dominant position in the market, which includes excessive royalty demands, denial of FRAND principles, wrongful application of principles for standard-essential patents (SEPs), indiscriminate patent lawsuits, and business practices that target rival companies.

The country's anti-trust regulator defined SEPs as patents that need the owner's consent to produce or supply services or products using standard technology, specifying that patent violation lawsuits filed by SEP holders without prior negotiation are more likely to be unfair. In addition, it will be illegal to bundle unnecessary patents into needed ones.

<http://www.businesskorea.co.kr>

## VIET NAM

### Technology search and transfer until 2020 approved

The prime minister has approved an international technology search and transfer program that will run until 2020. Created in line with Decision No. 1069/QD-TTg, issued on July 4, the program aims at seeking, evaluating, consulting, and transferring globally advanced technology. It also aims at meeting the demand for developing new products and services to increase productivity and quality and to add value to products sold by Vietnamese enterprises.

Until 2020, Viet Nam will target transferring and applying 60 percent of the technology introduced to the country through a network of experts associated with the program. Viet Nam will prioritize advanced technology in line with the orientation in policy and development strategies toward national science and technology. The country's objectives are to create new products and services and meet demands to develop the economy and society.

The government will seek and support international technology transfers and adopt mechanisms to encourage enterprises and science and technology organizations to handle research and technology transfers. The program also plans to build a network of experts who will seek out new technology, create appropriate systems and policies, and procure data. The decision came into effect on July 4.

<http://bizhub.vn>

### Technology acquisition

Next year, Republic of Korea will transfer 167 different kinds of technologies to Vietnamese enterprises in four main industrial sectors. The Ministry of Industry and Trade has published a list of 167 technologies that will be transferred: mechanical engineering (53), textiles – footwear (51), automobiles (35) and electrical – electronics (28). This program is part of the support-industry cooperation between the Ministry and the Ministry of Commerce, Industry and Energy of Republic of Korea.

Republic of Korea is one of the most important trading investment partners of Viet Nam. Over the past two decades, two-way trade turnover between the two countries has increased 55 times, from \$500 million in 1992 to \$27.3 billion in 2013. Last year, Republic of Korea was the third largest trading partner of Viet Nam; Viet Nam was the sixth largest export market of Republic of Korea.

One of the highlights of trade relations between the two countries is the structure of imports–exports that clearly complement each other. Republic of Korea mainly exports to Viet Nam machinery and equipment, and raw materials for textiles and footwear, and imports seafood, textiles, footwear, furniture, and agricultural products from Viet Nam.

The two countries are negotiating a free trade agreement (FTA), which is scheduled to be completed in 2014. If the FTA is signed, it will help promote two-way trade turnover between the two countries. In the January–September period of 2014, Republic of Korea poured the biggest amount of FDI capital into Viet Nam, with nearly \$3.6 billion.

<http://en.baomoi.com>