

Consultation on Capacity Building for the Implementation and Management of STP, in order to Promote the Digital Economy and the Development of Emerging Technologies

KISDI

Phase 2

**2024-
2025**

JIWON KIM
SOYOUNG SEO
SEYOUNG PARK

JUN SEOK SEO
SUNG GUL HONG
JIN KI HONG

YOUNG JOO KO
PAVEL GABRIEL
CORILLOCLA TERBULLINO





Consultation on Capacity Building for the Implementation and Management of STP, in order to Promote the Digital Economy and the Development of Emerging Technologies



KISDI

This Report is published by KISDI as part of the “ICT Development Consultation Program: Delivering Co-Prosperity through ICT Development” sponsored by the Ministry of Science and ICT of the Republic of Korea.

KISDI Consulting Group

Korea Information Society Development Institute (KISDI)

Dr. Jiwon KIM, Associate Research Fellow,
Center for International Cooperation Research (Project Manager)

Ms. Soyoung SEO, Associate Research Fellow,
Center for International Cooperation Research

Ms. Seyoung PARK, Senior Researcher,
Center for International Cooperation Research

Hanbat National University

Professor Jun Seok SEO

Kookmin University

Professor Sung Gul HONG

Korea Institute for Industrial Location

President Jin Ki HONG

Korea Research Institute of Chemical Technology

Dr. Young Joo KO

Coincide, Peru

Dr. Pavel Gabriel Corilloclla Terbullino

Foreword

It is my pleasure to introduce the "Capacity Building for the Implementation and Management of STP, in order to Promote the Digital Economy and the Development of Emerging Technologies" for 2024-2025. This report represents an important step in Peru's journey toward fostering a digital economy and underscores the government's commitment to promoting Science and Technology Park (STP) initiatives as strategic tools to boost regional development, promote innovation, and bridge the digital and technological gaps in the country. The consultation has brought together experts from various fields, including policymakers, regulators, industry leaders, and academics, to exchange ideas, share experiences, and explore opportunities in national ICT policy and the digital divide. As mentioned earlier, digital technology has been instrumental in mitigating the impact of the COVID-19 pandemic in developing countries. The ability to work and learn remotely, telemedicine, contact tracing, e-commerce, and cashless transactions are some of the ways digital technology has been utilized to help cope with the effects of the pandemic. Although connectivity and accessibility remain a challenge, these technologies have demonstrated their potential to help individuals and businesses adapt to the crisis and continue functioning despite the unprecedented challenges. The significance of digital technology in mitigating the impact of COVID-19 in developing countries cannot be overstated. Korea has been a leader in the development of the ICT sector, and its success in this area has been recognized globally. Korea's experience and achievements in ICT have become a benchmark for developing countries seeking to achieve similar outcomes. The Korea Information Society Development Institute (KISDI) has played a significant role in this process, working closely with various stakeholders to identify best ICT policy practices that can be replicated in developing countries. Over the years, KISDI has been involved in numerous ICT cooperation projects, providing insights and support to countries around the world. By sharing its expertise and experience, Korea has demonstrated its commitment to supporting the digital transformation of developing countries. This report will be a valuable resource for policymakers, regulators, and other stakeholders in Peru and other countries seeking to develop their ICT sector and drive economic growth through digital transformation. We would like to express our sincere appreciation to the National Council for Science, Technology and Innovation (CONCYTEC)

of Peru and the KISDI Consulting Group for their active support and cooperation in facilitating this consultation. KISDI is committed to achieving mutual prosperity with partner countries through our ICT cooperation projects, and we believe that the results of this consultation will make a significant contribution to the advancement of STP deployment policy in Peru. We are confident that this report will provide valuable insights and recommendations that reflect both global trends and Korea's successful experiences in the ICT sector. We look forward to continuing our partnership with Peru and other developing countries to achieve sustainable development through digital transformation and innovation. We appreciate the Ministry of Science and ICT of Korea for providing the necessary funding for this consultation program and for their invaluable guidance and support throughout the process. Their assistance was critical in ensuring the success of this consultation and the resulting recommendations.

Sangkyu Rhee

President

Korea Information Society Development Institute

Table of Contents

Foreword	4
List of Figures	9
List of Tables	10
Glossary of Terms	11
Executive Summary	14
1. Guidelines for the Selection Framework of STP and Resetting the Peruvian STP Roadmap	18
1.1. Concept and Role of STP	18
1.1.1. Definition of STP	18
1.1.2. Difference between STP and Similar Complexes	19
1.1.3. Functions and Roles of STP	19
1.2. Current Status of Guidelines for the Selection of STP in Peru	20
1.2.1. Current Status of Technical Guidelines in Peru	20
1.2.2. Analysis of Selecting STP in Peru	25
1.3. Requirements for Designation of STP in Korea	26
1.3.1. Requirements for Designation of Innopolis	26
1.3.2. Requirements for Designation of Innatown	30
1.4. Policy Suggestions	34
1.4.1. Proposed Guidelines for the Selection of STP in Peru	34
1.4.2. Resetting the Peruvian STP Roadmap	37
2. Enhancement Strategy for STP Management and Performance Evaluation Systems	41
2.1. Introduction	41
2.2. Analysis of STI in Peru	42
2.2.1. Current Status of Peru's Economy and Industry	42
2.2.2. Peru's STI (Science, Technology & Innovation) Capabilities	43

2.3. Development of Peru's STPs	46
2.3.1. Progress of STP Development in Peru	46
2.3.2. Peru's Science and Technology Park (STP) Designation Strategy	48
2.3.3. Analysis of STP Capabilities in Peru	50
2.3.4. Review of the CONCYTEC Guidelines	50
2.4. Korean Experience in STP	51
2.4.1. Understanding Performance Evaluation Systems of STPs	51
2.4.2. Case Study on STP Management and Performance Evaluation Systems in Korea	60
2.5. Suggestions	65
2.5.1. Operational Strategy for Peru's STPs	65
2.5.2. Direction for Designing STP Performance Evaluation Systems in Peru	69
 3. Activating Peru's STPs through Technology Transfer and Startups in STP	 71
3.1. Importance and Regime of Technology Transfer and Startups in STPs Importance of Technology Transfer and Startups in STPs	71
3.1.1. Models and Suggested Regime of Technology Transfer and Startups in STPs	73
3.2. Technology Transfer and Startups in Peru's STPs	75
3.2.1. Objectives of Technology Transfer and Startups in Peru	75
3.2.2. Strategies to Achieve the Objectives of Technology Transfer and Startups in Peru	76
3.2.3. Governance for Active Technology Transfer and Startups	76
3.2.4. Funding for Technology Transfer	77
3.2.5. Management for Technology Transfer	77
3.2.6. Issues of Technology Transfer and Startups in Peru STPs	78
3.3. The Regime of Technology Transfer and Startups in Korea and the UK	79
3.3.1. Objectives for Technology Transfer and Startups in Korea	79

3.3.2. Strategies to Achieve the Objectives	79
3.3.3. Governance for Technology Transfer and Startups in Korea	80
3.3.4. Funding for Technology Transfer and Commercialization	81
3.3.5. Management of Technology Transfer and Commercialization	82
3.3.6. UK Cases	85
3.4. Recommendations to Activate Technology Transfer and Startups in Peru STPs	88
 4. Laws and Regulations for the Science and Technology Parks in Peru and South Korea	 95
4.1. Introduction	95
4.2. The Peruvian STI (Science & Technology Innovation) Systems	96
4.2.1. The Chronological Overview of STP Promotion Laws in Peru	98
4.2.2. Technical Guidelines for STPs Issued By CONCYTEC	103
4.2.3. STP Promotion at the Regional Level	104
4.2.4. STP Promotion at the Local Level	107
4.3. Laws and Regulations Regarding STP Promotion in South Korea	107
4.3.1. The Framework Act of Science and Technology	108
4.3.2. The Special Act on Promotion of Special Research and Development Zones	108
4.3.3. The Technology Transfer and Commercialization Promotion Act	114
4.3.4. Implications from the Experiences of Korea	117
 References	 120
 Annex 1. Enforcement Decree of the Framework Act on Science and Technology	 122
Annex 2. Special Act on Promotion of Special Research and Development Zones	174
Annex 3. Technology Transfer and Commercialization Promotion Act	249

List of Figures

Figure 1-1	Conceptual Differences by Complex	19
Figure 1-2	Stages of STP Development according to CONCYTEC Guidelines	21
Figure 1-3	Location Map of Innopolis	27
Figure 1-4	Procedures for Designating Innopolis	30
Figure 1-5	Location Map of Innotown	31
Figure 1-6	Procedures for Designating Innotown	33
Figure 1-7	National STP Roadmap in Peru	38
Figure 2-1	Industrial Structure Change of Peru	42
Figure 2-2	Peru's R&D Investment as a Percentage of GDP and the Share of Public/Private	43
Figure 2-3	Patent Applications in Peru	44
Figure 2-4	Distribution of Patents by Technical Fields and by Nations	45
Figure 2-5	Status of STPs in Peru	47
Figure 2-6	The process of developing an STP by CONCYTEC	49
Figure 2-7	Process of Setting Up the Performance Evaluation System	51
Figure 2-8	The Workflow of STP in a Nation	52
Figure 2-9	The Evaluation Workflow of STP	53
Figure 2-10	Sample Schedule for Mid-Term Performance Evaluation of STP	54
Figure 2-11	The Process of Technology Commercialization	57
Figure 2-12	Performance Evaluation Implementation Process	59
Figure 2-13	Innopolis and Innotown in Korea	61
Figure 2-14	Vision, Goals, and Implementation Strategies of Daedeok Innopolis	62
Figure 2-15	Governance of Innopolis	64
Figure 2-16	Recommended Univ.-Based STP Organizational Structure	67
Figure 2-17	Evolution Process of an STP	68
Figure 3-1	Regime of Technology Transfer and Startups	75
Figure 3-2	Peru's Governance for Technology Transfer and Startups	76
Figure 3-3	Governance for Technology Transfer and Commercialization	81
Figure 4-1	Peruvian STI System from a Structure Perspective	98

List of Tables

Table 1-1	Services STP Should Provide, According to the CONCYTEC Guidelines	23
Table 1-2	Designation of Innopolis in Korea	27
Table 1-3	Current Status of Innopolis in Korea	28
Table 1-4	Requirements for Designation of Innopolis in Korea	29
Table 1-5	Current Status of Innotown in Korea	31
Table 1-6	Quantitative Requirements for Designation of Innotown in Korea	32
Table 1-7	Qualitative Requirements for Designation of Innotown in Korea	33
Table 1-8	Comparison of Quantitative Designation Requirements for Korean and Peruvian Universities	35
Table 1-9	Proposed Quantitative Designation Requirements for STP in Peru	36
Table 1-10	Summary of Key Policy Suggestions	40
Table 2-1	CONCYTEC-Recommended STP Specialization Areas	48
Table 2-2	Sample Key Performance Index of STP	56
Table 3-1	Evaluation Index of Technology Transfer in STPs	94
Table 4-1	Chronological Progress in the Promotion of STP	99
Table 4-2	Main Laws Framing the Potential Promotion Role of Regional Governments	105
Table 4-3	Industrial Development and Innovation Programs at the Regional Level	106
Table 4-4	Major Contents of the Special Act on Promotion of Special R&D Zones	109
Table 4-5	Technology Transfer and Commercialization Promotion Act	115

Glossary of Terms

AI	Artificial Intelligence
ATC	Advanced Technology Company
CCF	Connecting Capability Fund
COMPA	Commercialization Promotion Agency for R&D Outcomes
CONCYTEC	Consejo Nacional de Ciencia, Tecnología e Innovación (National Council for Science, Technology and Innovation)
CSP	Cambridge Science Park
GDP	Gross Domestic Product
GL	Government Level
GRI	Government-funded Research Institute
ICT	Information and Communications Technology
IITP	Institute of Information & Communications Technology Planning and Evaluation
IP	Intellectual Property
KEIT	Korea Evaluation Institute of Industrial Technology
KETEP	Korea Institute of Energy Technology Evaluation and Planning
KIAT	Korea Institute for Advancement of Technology
KIF	Korea Innovation Foundation
KIF	Korea Innovation Foundation
KST	Korea Science Technology Holdings
LVS	LIQUID Venture Studio
MOE	Ministry of Education
MOTIE	Ministry of Trade, Industry and Energy
MSIT	Ministry of Science and ICT
MSP	Manchester Science Park
MSS	Ministry of SMEs and Startups
NRF	National Research Foundation
NRL	National Research Lab
NST	National Research Council of Science and Technology
PRI	Public Sector Research Institute
PROCIENCIA	Programa Nacional de Investigación Científica y Estudios Avanzados (National Program for Scientific Research and Advanced Studies)

PROINNOVATE	Programa Nacional de Desarrollo Tecnológico e Innovación (National Program for Technological Development and Innovation)
PoC	Proof-of-Concept
R&D	Research and Development
RCCEI	Regional Centers for Creative Economy and Innovation
S&T	Science and Technology
SINACTI	Sistema Nacional de Ciencia, Tecnología e Innovación (National System of Science, Technology and Innovation)
SMEs	Small and Medium-sized Enterprises
STI	Science, Technology and Innovation
STP	Science and Technology Park
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TIPS	Tech Incubator Program for startup Korea
TLO	Technology Licensing Office
TPs	Techno Parks
TTOs	Technology Transfer Offices
UK	United Kingdom
UKRI	UK Research and Innovation
UKSPA	United Kingdom Science Park Association
UNALM	Universidad Nacional Agraria La Molina (National Agrarian University La Molina)
UNCP	Universidad Nacional del Centro del Perú (National University of the Center of Peru)
UNHEVAL	Universidad Nacional Hermilio Valdizán (Hermilio Valdizán National University)
UNISCJSA	Universidad Nacional Intercultural de la Selva Central Juan Santos Atahualpa (National Intercultural University of the Central Jungle Juan Santos Atahualpa)
UNMSM	Universidad Nacional Mayor de San Marcos (National University of San Marcos)
UNSA	Universidad Nacional de San Agustín de Arequipa (National University of San Agustín of Arequipa)
UPCH	(Universidad Peruana Cayetano Heredia) Cayetano Heredia Peruvian University
UTEC	University of Engineering and Technology
VC	Venture Capital

Executive Summary

In Chapter 1, new guidelines for STP selection are presented by referring to Korean cases, and the STP roadmap in Peru is reset. CONCYTEC has guidelines for the creation and operation of STPs, but it needs to be supplemented because it consists only of qualitative designation requirements. Since Peru's STP roadmap is also related to the creation schedule of individual STPs, a new STP roadmap is proposed with the aim of designating STPs that the Peruvian government provides financial support to.

The main contents of the new guidelines for STP selection are as follows. First, CONCYTEC's guidelines are qualitatively well designed, but they do not specifically present quantitative designation requirements. Therefore, it is necessary to add quantitative designation requirements to CONCYTEC's guidelines by referring to the quantitative requirements of technology core institutions, specifically presented in Korea's Innotown guidelines.

Second, it is necessary to specify the designation requirements of STP so that universities, research institutes, and industrial complexes are concentrated within a certain distance. In Korea, the separation distance between the core technology institution and the industrial complex should be within 3 km as a straight line. Peru also needs to clearly define the separation distance so that research institutes and industrial complexes are located close together.

Third, it should be important to examine whether there are sites and buildings for start-up companies that promote technology commercialization. It is necessary to include in the STP designation requirements whether there is a building or industrial site in which start-up companies can move in within or near the STP.

Assuming that the Peruvian government provides financial support for STPs according to the new selection criteria, it is necessary to select universities or research institutes with excellent technical commercialization capabilities. As the number of STPs selected increases, the financial burden of the Peruvian government increases, so 5~6 STPs on the premise of financial support from the state will be appropriate, as the planning period for about 10 years. Under this assumption, the STP roadmap for Peru is presented by dividing the development stages of STP into birth, growth, and stability. Assuming that the planning period for each stage is 36 months, an STP roadmap is established by operating three Innotowns and two Innopolis in the final stage.

Chapter 2 explains how the performance evaluation system should operate after

Science and Technology Parks (STPs) are approved by CONCYTEC, the agency responsible for the designation and approval of STPs in Peru. It also presents key considerations for establishing such a performance evaluation system, drawing on the experiences of Daedeok Innopolis, Korea's representative science and technology park.

The main points that CONCYTEC should consider in building a performance evaluation system are as follows. First, in order to encourage STPs to continuously enhance their own R&D innovation capabilities, elements reflecting science and technology innovation capacity should be included in the performance indicators. Given that outcomes such as startups and technology commercialization, which are the performance results of STPs, are generated through research outputs, it is difficult to expect successful results from an STP without innovation capacity.

Second, incubation activities should be considered the most critical target indicator for both the designation and performance evaluation of STPs. CONCYTEC's current guidelines focus on the planning and construction of physical infrastructure for STPs. However, considering that STPs are generally an advanced model evolved from university-based incubation centers, outcomes that can be achieved through incubation activities should also be included as evaluation indicators in the master plan-based approval and performance evaluation of STPs.

Third, standardized support programs should be developed to help achieve performance goals. In order to reach final objectives such as increasing the number of enterprises, job creation, and revenue growth, STPs must carry out various support activities in advance. CONCYTEC should develop standardized programs for such support activities and ensure that each STP is capable of implementing them effectively.

Fourth, phased performance indicators tailored to the conditions of each STP should be established. These indicators should be strategically set based on short-, medium-, and long-term goals, and should be differentiated according to the regional characteristics and circumstances of each STP. This approach will allow regional STPs to be evaluated according to their specific contexts and support differentiation among STPs across regions.

Fifth, in order to promote collaboration among STPs located in different regions, CONCYTEC should develop cooperative performance indicators. To encourage interaction between companies and STPs from different regions, joint cooperation programs and

business exchange activities should be incorporated into the evaluation criteria.

Chapter 3 explores how Science and Technology Parks (STPs) can drive innovation and economic growth through effective technology transfer and startup development. Science and Technology Parks (STPs) play a pivotal role in promoting innovation, regional economic development, and high-tech job creation. At the heart of successful STPs are two essential mechanisms: technology transfer and startups. Technology transfer channels research outputs and intellectual property from universities and research institutions into industries, while startups act as agile vehicles for commercializing early-stage technologies. Several models support these processes, including the linear model, interactive model, knowledge-based model, network model (Triple/Quadruple Helix), entrepreneurial university model, and startup-centered model. These models highlight the need for dynamic collaboration between academia, government, industry, and society. In Peru, national efforts to promote technology transfer and startups are led by CONCYTEC and supported by initiatives like ProInnovate's StartUp Perú. Key strategies include building Technology Transfer Offices (TTOs) in universities, implementing readiness-level assessments, and establishing regional STPs. Despite these efforts, Peru faces challenges such as fragmented objectives across STPs, insufficient governance frameworks, limited funding, and weak university–industry linkages.

By contrast, Korea and the UK provide effective models. Korea's national five-year plan supports technology transfer through strong inter-ministerial governance, dedicated funding, active TTOs, and programs like TIPS for startup incubation. The UK leverages national agencies like Innovate UK, Catapult Centres, and university–industry partnerships (e.g., Cambridge Science Park) to bridge research and commercialization.

To strengthen Peru's STP ecosystem, five pillars must be established: (1) clearly defined and measurable objectives aligned with national innovation goals, (2) tailored strategies based on regional and sectoral contexts, (3) transparent and decentralized governance structures involving key stakeholders, (4) diversified and sustained funding mechanisms including public-private partnerships, and (5) effective management through professional TTOs, incubators, and performance monitoring. Activating these five elements will enable Peru's STPs to become engines of innovation, facilitate knowledge flow, generate scalable startups, and contribute meaningfully to national competitiveness and sustainable development.

Chapter 4 reviews major laws and regulations of Peru and South Korea to draw lessons from the Korean experiences of building up successful STPs. South Korea has developed very competitive manufacturing industries, including high-tech. One of the key success factors of developing such a capability was STP-related policies. Through various STPs, numerous start-ups have been created, and they have contributed to the development of Korean high-tech industries.

After reviewing major Korean laws and regulations, we can draw the following lessons

and implications. First, CONCYTEC must be empowered by law as the official promoter of STPs. It should have enough financial and technical incentives to enable local governments, universities, and/or private firms to form consortia to establish an STP and engage in technological innovation and transfer for their own sake.

Second, all the factors and prerequisites should be listed in law, as well as all the processes to select and designate STPs. This is necessary to avoid any unreasonable pressures from political communities, both national and local.

Third, the interested parties in setting up and maintaining STPs should be formed in a close network environment to be actively promoted and build up cooperation. CONCYTEC must be at the center of this network and can exercise administrative and financial leadership in formulating and maintaining them.

Fourth, the roles of state and local governments must be clearly defined so that any free riding by the regional government should be avoided. Heads of regional governments would be more actively involved in STPs when their political careers are at risk. Financial obligation on the part of regional governments would increase the chance of not only creating STPs but also making them sustainable in the long run.

Fifth, independent and objective evaluation systems should be introduced and implemented by CONCYTEC. If any STP fails to meet the targets or falls below the performance lines, they should submit plans to increase performance and be provided with an additional chance to compete. When they finally fail to meet the targets, the status of STP could be cancelled.

Sixth, all incentives that would be provided to STPs should be enlisted by law, so that necessary budgets cannot be swayed by political situations. Deregulations, tax reduction, and/or subsidies should have legal mandates so that CONCYTEC can exercise its legal mandate in implementing STP policies and/or programs.

Seventh, I strongly recommend making one successful STP first, and then disseminating it to other areas. The legal and institutional bases should be prepared to disseminate the outcomes of STPs and allow many innovative start-ups to be created. Organizations and functions of CONCYTEC must also evolve to meet the demands of those firms being actively promoted.

Lastly, a strong willingness and passion on the part of CONCYTEC are needed. Many countries have tried to copy the Korean development model, but not all of them succeeded. They all knew what to do and how to do but could not follow the Korean suit for a variety of reasons. As an advisor to Peru, I sincerely hope Peru is an exception.

Guidelines for the Selection Framework of STP and Resetting the Peruvian STP Roadmap

1.1. Concept and Role of STP

1.1.1. Definition of STP

STP (Science and Technology Park) is used as a similar concept to research parks, technology parks, business parks, and innovation centers. Even complexes of the same nature have different names depending on the country, and the terms research parks in the United States, science parks in the United Kingdom, technology innovation centers in Germany, and technology parks in Spain are widely used.

In general, a research park refers to an area where R&D is focused on, and prototype development is allowed, but mass production is not allowed. A science park refers to an area where R&D and production take place together. On the other hand, a technology innovation center or a technology park refers to a place that increases the likelihood of survival by providing startups with opportunities for commercial application of technology through industry-academia cooperation.

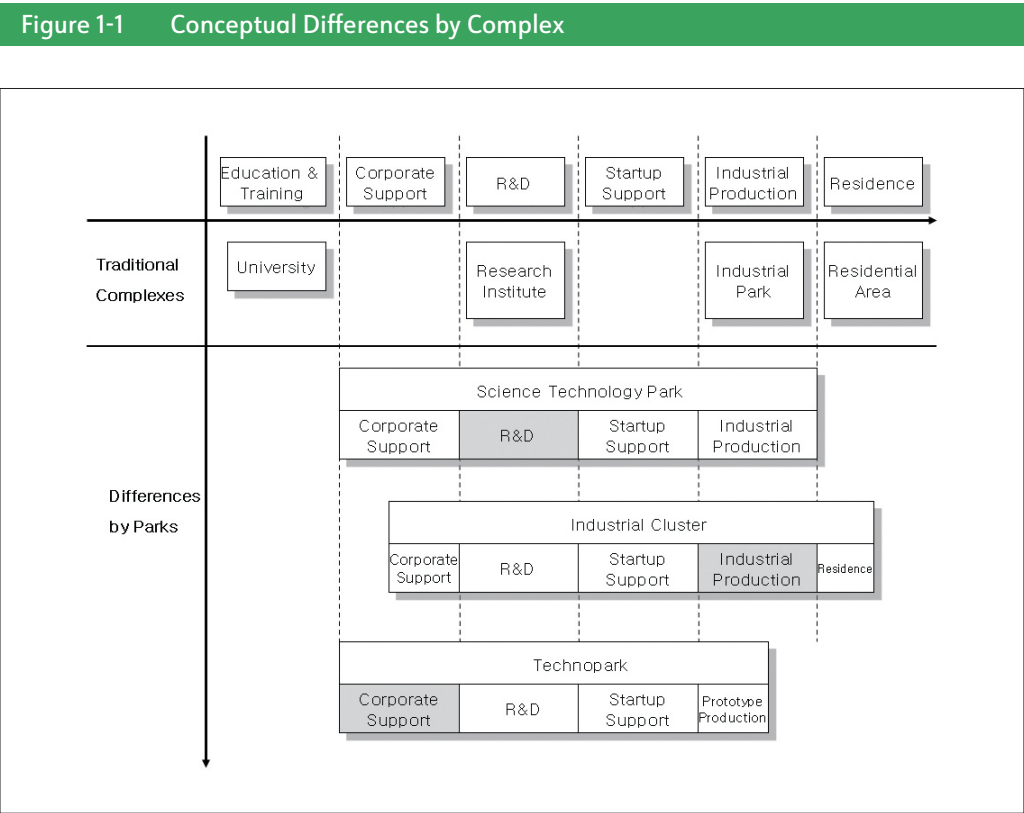
The definition of STP published by the United Kingdom Science Park Association (UKSPA) is the most commonly used. According to UKSPA, STP must have the following three purposes. First, it is necessary to support the incubation of startups of innovative and fast-growing technology-based companies through the provision of infrastructure and support services. Second, it must have an official and practical connection with universities and research institutes. Third, it must have a management support function that actively transfers technology and management know-how to SMEs.

To put this together, STP refers to a complex with the transfer function of technology and management know-how in official partnership with universities and research institutes for the purpose of promoting the establishment and development of knowledge-intensive companies.

1.1.2. Difference between STP and Similar Complexes

Traditional complexes specialize in a single function, just as universities specialize in education and training, research institutes specialize in R&D, and industrial complexes specialize in production. However, STP, industrial cluster, and technopark are composed of complex functions, and the functions that are emphasized in each complex are slightly different.

In Korea, STP focuses more on R&D, industrial clusters on industrial production, and technoparks on corporate support. Figure 1-1 shows the differences for each park.



1.1.3. Functions and Roles of STP

STP is a combination of science and technology-related functions and park-related functions. Functions related to science and technology include R&D activities such as original technology development, product/process development research, and prototype development research, and industry-academia cooperation, including technology transfer activities. The function related to the park is to provide and manage a space

where related organizations can gather and work to promote technological innovation. As STP develops, the scope and functions at the time of establishment gradually expand.

The biggest role of STP is to promote start-ups using R&D results and to advance the regional industrial structure through this. Along with this, STP contributes to supporting technological innovation of local SMEs and creating new jobs through technology transfer.

The roles required for STP vary slightly from country to country, because the background of STP's establishment differs. For example, the UK and Germany are creating STP according to an endogenous development strategy of supporting SMEs and creating high-tech companies. On the other hand, Japan is using STP as part of an exogenous development strategy not only to foster SMEs but also to attract companies outside the region.

1.2. Current Status of Guidelines for the Selection of STP in Peru¹

1.2.1. Current Status of Technical Guidelines in Peru

There are 32 STP initiatives with different levels of progress in Peru. Of these, 21 STP initiatives have shown certain activities aiming to foster them. Seventeen of these STPs are promoted by universities (81% of the total), two by regional governments, and two by private actors. Only six of the 21 STP initiatives have master plans approved or under evaluation by CONCYTEC and have shown some progress, according to the stages and phases described in the guidelines issued by CONCYTEC.

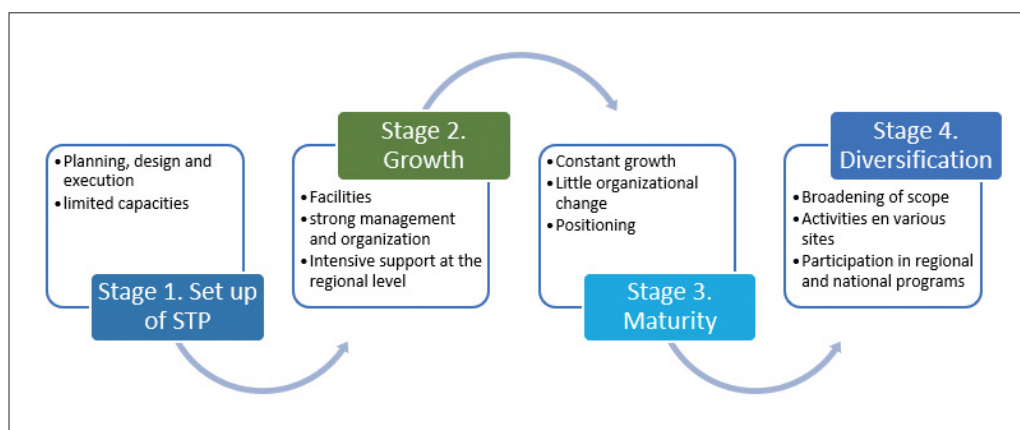
CONCYTEC, as the governing body of the Peruvian STI system, can establish standards and promote the creation and implementation of STP. Therefore, CONCYTEC has set the following guidelines to set up and operate STP.

1) Guideline 1: Stages for Developing an STP

According to the technical guidelines, the creation and implementation of an STP should consider four stages of development, as Figure 1-2 Stages of STP Development according to CONCYTEC Guidelines shows. The first stage requires STP sponsors to follow three phases that have their processes of approval (certification) by CONCYTEC. Meanwhile, the next three stages imply an approval process for each.

¹ This part is cited from a report provided by the local consultant.

Figure 1-2 Stages of STP Development according to CONCYTEC Guidelines



Source CONCYTEC

Stage 1 consists of planning, designing, and executing an STP project. It involves activities to obtain support from stakeholders and funding to implement the initiative. This stage includes the following activities:

- Identification of industrial demands
- Diagnosis of the capacity to meet industrial demands
- A study of technology foresight in the areas of interest
- Strategic definition of the STP
- Construction and management of physical infrastructure: buildings, equipment, and services.
- Attraction of key actors and their involvement in the STP initiative
- Start of operation by providing services
- Link actors among them
- Networking at national and global levels
- Support for knowledge transfer and commercialization

Stage 2 involves the construction and/or acquisition of suitable buildings for multiple purposes, as outlined in the Master Plan approved by CONCYTEC. It also includes the strengthening of management and organizational structures. At this stage, the STP provides intensive support at the regional level. Additionally, functions from the previous stage are reinforced, and the new ones are carried out, such as:

- Formulation of business plans, R&D+i agendas, and business internationalization strategies
- Strengthening of the business ecosystem by: i) consolidation of established companies and ii) creation and development of technology-based companies

- Support for R&D+i projects within the park and in the region
- Consolidation of collaboration networks
- Evaluation of project impact

During Stage 3, the STP experiences stable growth. Thus, no substantial organizational changes are made. Some STPs stop their development at this level, while others continue to evolve. In addition, functions from the previous stage are reinforced, and new ones are carried out, such as:

- Contribution to the technological and economic development of the region
- Contribution to the design of R&D+i policies at the regional level, in coordination with the institutional ecosystem
- Advising other science and technology parks
- Introduction into global value chains

During Stage 4, the STP takes on broader roles, such as developing activities in other indirectly associated locations or in other technological sectors, becoming more involved in the development of flexible infrastructure, and participating in regional and national programs. Additionally, it offers more sophisticated services and manages to position itself in global value chains.

2) Guideline 2: A Clear and Sound Strategy for the Setup and Development

According to the CONCYTEC guidelines, the strategy for the setup and development of an STP should consider:

- i. The capacities regarding R&D+i to meet scientific and technological demands within a defined territory. This aspect will define the “identity” of the STP through the identification of the technology field in which the STP will work.
- ii. Previous studies and investment projects related to the STP in terms of location, investment needs, buildings, and facilities construction, among others.
- iii. Favorable factors such as:
 - Clear objectives
 - Specified technology fields.
 - Involvement of main stakeholders
 - Effective and varied linkages between actors
 - Very defined focused on gaps in industries and technology fields

3) Guideline 3: Plan for Technology Transfer

According to the CONCYTEC guidelines, each STP should have a plan to foster technology transfer, building on the advantages from the geographic proximity between actors.

Moreover, the guidelines also highlight that technology transfer is developed between

academia and the production sector. Academia generates scientific and technological knowledge as a source of innovation and, for that purpose, has certain capacities such as infrastructure, qualified human resources, and financial resources. On the other hand, the private sector acquires knowledge from universities and research organisations.

4) Guideline 4: Articulation among Actors

According to the CONCYTEC guidelines, STP implies the involvement of four types of actors:

- Determinant actors that promote the setup of an STP and have the backing of economic and political actors such as funding agencies, universities, public organizations, or companies.
- Reacting actors are in charge of selecting the location, design, and setup of an STP. This group includes the management team of the STP, which has high-profile and well-known people with the capacity to make decisions.
- Executing actors deliver the services offered by an STP. This group includes highly qualified R&D personnel related to the technological field in which the STP has specialized, as well as staff with marketing and business management skills.
- Users refer to actors that acquire, adopt and adapt knowledge, technology and innovations. They should have staff with the necessary skills to undertake these activities and translate them into innovations.

5) Guideline 5: Delivery of Specialized Technological Services

These are the services an STP should provide, according to the CONCYTEC's guidelines.

Table 1-1 Services STP Should Provide, According to the CONCYTEC Guidelines

Type of service	Description
Human capital for design and development of R&D projects	To develop research, development, and technological innovation in the park, the company needs to make investment decisions. To do this, it must clearly understand the park's regulations, intellectual property rights protection, the application of innovation incentives, and infrastructure development.
Innovation management	Technological appropriation, innovation, valuation and access to existing technology, productivity scaling, technical and technological services, intellectual property, technology monitoring, and competitive intelligence, as well as legal and contractual advice.
Specialized technological services	Such as prototyping services, dimensional engineering, molding, precision machining, among others.

Type of service	Description
Technology transfer	To facilitate the interaction between scientific and technological supply and business demand regarding this type of knowledge or technologies. This allows companies, researchers, and entrepreneurs to access an asset that they would hardly be able to develop on their own.
Networking services	The park should take responsibility for structuring a network of relationships between all national and international societies involved in the process of innovation, competition, and territorial restructuring, acting as an interface between the world of research, industry, and local administration.
Technological assistance services	Primarily for the creation and development of companies, access to and collaboration with research centers, technological development, and innovation, etc.
Incubation services	Since creating and attracting new companies through business incubators today is one of the most important and valued aspects of scientific and technological parks.
Acceleration services	Refers to support to increase the speed of execution of a company's technological, commercial, administrative, financial, and human resources functions.
Investment attraction	"Anchor" companies and investments from both angel and venture capital to finance new technology-based companies created in the park.
Advisory for financing access	Facilitation in accessing public financing, assistance with bureaucratic procedures, agreements with private banks or venture capital firms, and promotion of support programs and/or funds, such as tax incentives and competitive grants.
Business management advisory and consultancy services	Search and selection of projects, specialized training, advice on business plan development, legal consultancy, market entry guidance, economic-financial feasibility studies, marketing consultancy, agreements with external consultants or professional organizations, etc.
Training services	Such as awareness courses or workshops, business management training, innovation training (open innovation, new product, service, or process development, R&D project management, etc.), and guides on best practices in design, technology, knowledge, or innovation management.
Support services	Office buildings, telephone and data transmission networks, secretarial services, translation, restaurants, meeting rooms, hotels, congress and seminar centers, etc.

6) Guideline 6: Resources and Results

According to the guidelines, CONCYTEC can revise and assess the development of STP across the development stages in order to verify if the STP initiatives have devoted the required resources in each development phase and obtained the expected results.

To carry out this task, there are some aspects to consider:

- There must be a baseline, including goals and indicators for each phase.
- Key actors should be involved in the STP initiatives, according to their roles in each phase.
- The availability of resources such as infrastructure, personnel, and funding.
- Functions and services should be in place, according to each development phase.
- Results must be assessed according to the indicators previously settled.

1.2.2. Analysis of Selecting STP in Peru

This section analyzes and compares opportunities for STP at two levels: the territorial level by considering social, economic and STI indicators, and the university level by including STI indicators for universities with STP initiatives in progress. The areas to be analyzed are Arequipa (south coast), Huánuco (central mountain) Junín (central mountain), and Lima (central coast). The universities to be analyzed are Universidad Nacional San Agustín (UNSA), Universidad Nacional Agraria La Molina (UNALM), Universidad Nacional Mayor de San Marcos (UNMSM), Universidad Nacional del Centro del Perú (UNCP), Universidad Nacional Intercultural de la Selva Central Juan Santos Atahualpa (UNISCJA), and Universidad Nacional Hermilio Valdizán (UNHEVAL).

1) Analysis of Infrastructure and Environment

Lima and Arequipa stand out as competitive regions compared to Junín and Huánuco in several aspects, such as the competitiveness and labor indexes, labor productivity and STI indicators. Lima is a leader in the number of patent applications, number of researchers and licensed universities. The capital city can be regarded as the main engine for the country's economic development. In turn, Arequipa depends heavily on the mining and manufacturing sectors, showing a sound and productive economy, and has good relative performance in terms of adequate job opportunities and access to the Internet.

On the other side, Junín and Huánuco face larger challenges. Even though Junín has a good level of higher education supply and an intermediate level of competitiveness, its low labor productivity and high rates of informality restrain its development. Their main economic sectors (mining, agriculture, and commerce) still need efficiency increases and adoption of technologies. Finally, Huánuco presents the most challenging status because it depends on agriculture and lacks highly trained human capital, which reinforces its low

labor productivity and salaries, as well as the high rate of informality.

The analysis of regional contexts suggests that development strategies in each region should focus on strengthening technological and physical infrastructure, improving the access and quality of the higher education system, and promoting labor formality.

2) Analysis of Universities with STP

The main statistics about universities seem to be related to the number of students, faculty members, researchers, scientific publications, and patents. In this regard, the UNMSM (Lima), UNSA (Arequipa), and UNALM (Lima) stand out given their number of researchers, publications and granted patents, and budget for R&D. As expected, these universities are located in the most competitive regions analyzed in section 3.1.

However, each university can show certain strengths and weaknesses in comparison to the others. For instance, UNMSM (Lima) has a relatively high ratio of students/researchers, which could hinder its R&D activities and capacities. Regarding the attention devoted to students, the UNISCJSA (Junín) shows the lowest ratio of students/faculty members, but it is not reflected in the number of patents and researchers. Moreover, UNALM (Lima) shows the highest budget for R&D, signaling its commitment to these activities.

In general terms, there is a significant gap among universities in terms of their STI capabilities, with the UNMSM (Lima), UNSA (Arequipa), and UNALM (Lima) leading the race, while the UNHEVAL (Huánuco) and the UNCP (Junín) are lagging behind.

1.3. Requirements for Designation of STP in Korea

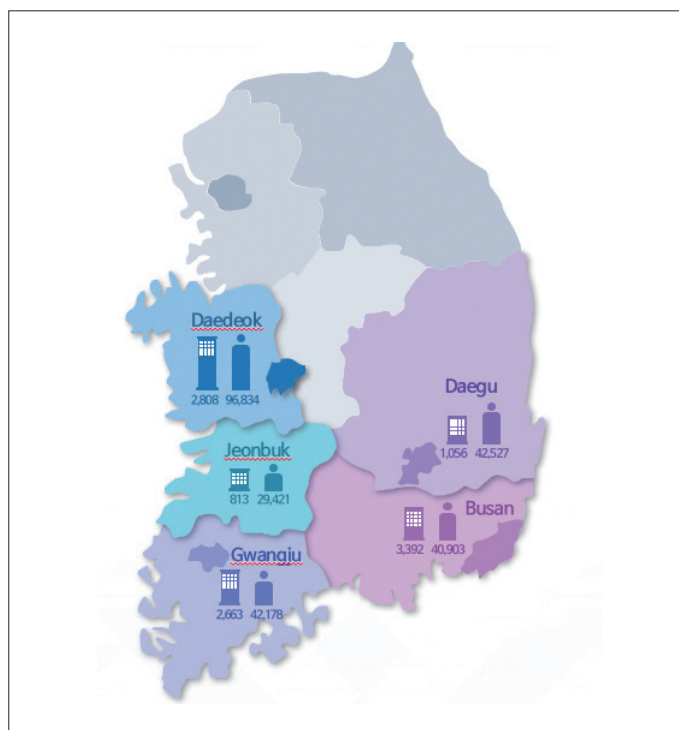
1.3.1. Requirements for Designation of Innopolis

Innopolis refers to an area designated for the purpose of contributing to the innovation of national technology and the development of the national economy by supporting the commercialization of R&D achievements. In 2005, Daedeok Research Complex was designated as Innopolis for the first time in Korea. Since then, Gwangju and Daegu were designated as Innopolis in 2011, Busan in 2012, and Jeonbuk in 2015. The area of the five Innopolis varies from a minimum of 12.6km² to a maximum of 49.7km².

Table 1-2 Designation of Innopolis in Korea

Innopolis	Designated Date	Total Area	Specialized Field
Daedeok	2005. 7.	49.7km ²	IT, Nano Convergence, Bio, etc.
Gwangju	2011. 1.	18.6km ²	Eco-friendly automobile parts materials, etc.
Daegu	2011. 1.	19.4km ²	Medical convergence equipment, etc.
Busan	2012. 11.	12.6km ²	Marine plant engineering, etc.
Jeonbuk	2015. 8.	16.1km ²	Agricultural bio, convergence material parts, etc.

Figure 1-3 Location Map of Innopolis



In order to foster Innopolis as an innovation cluster in which technology, start-up, and growth are in a virtuous cycle, the Korean government is promoting various support projects. First, it is supporting start-ups and commercialization, centering on national strategic technologies and deep technologies. Second, based on industry-academic cooperation, demonstration and scale-up suitable for regional characteristics are supported. Third, overseas demonstration and joint technology commercialization are supported to help promising start-ups and research institute companies in Innopolis enter the global market. The support budget for Innopolis in 2025 is \$57 million.

Since 2005, when Innopolis was first designated, tenant companies, sales, and employment have increased sharply. The number of tenant companies increased 15.9 times from 687 to 10,932, sales increased 19.7 times from \$2,570 million to 50,579 million, and employment increased 10.5 times from 2.4 million to 251 million.

Table 1-3 Current Status of Innopolis in Korea

Innopolis	Number of Research Institutes	Number of Companies	Sales (Million Dollars)	Employment	
	Public	Other			
Daedeok	38	11	2,808	19,591	96,834
Gwangju	15	11	2,863	10,461	42,178
Daegu	14	4	1,056	8,217	42,527
Busan	19	10	3,392	8,950	40,903
Jeonbuk	17	7	813	3,360	29,421
Sum	103	43	10,932	50,579	251,863

Since Innopolis is large and only one is designated per local government, it must meet many designation requirements. The designation requirements of Innopolis are divided into quantitative and qualitative requirements. There are four quantitative designation requirements. First, there must be at least 40 research institutes, including three national research institutes or government-funded research institutes in the region. Second, there must be at least three universities with science and engineering departments. Third, there must be a consultative body between universities, research institutes, and businesses. Fourth, there must be an industrial complex for mass production in the region.

In addition to quantitative conditions, the following requirements must be met in order to be designated as Innopolis.

- Sufficient conditions for the commercialization of R&D results and start-ups
- Contribution to Science and Technology Innovation Better Than Other Regions
- Conditions for attracting foreign universities, foreign research institutes, and foreign-invested enterprises
- The proportion of R&D investment and patent registration is higher than that of other regions
- Equipped with transportation, communication, infrastructure, living conditions, etc., capable of exchange and cooperation with foreign countries
- Research institutes in the region possess internationally competitive technology

Table 1-4 shows the requirements for the designation of Innopolis by law and enforcement decree.

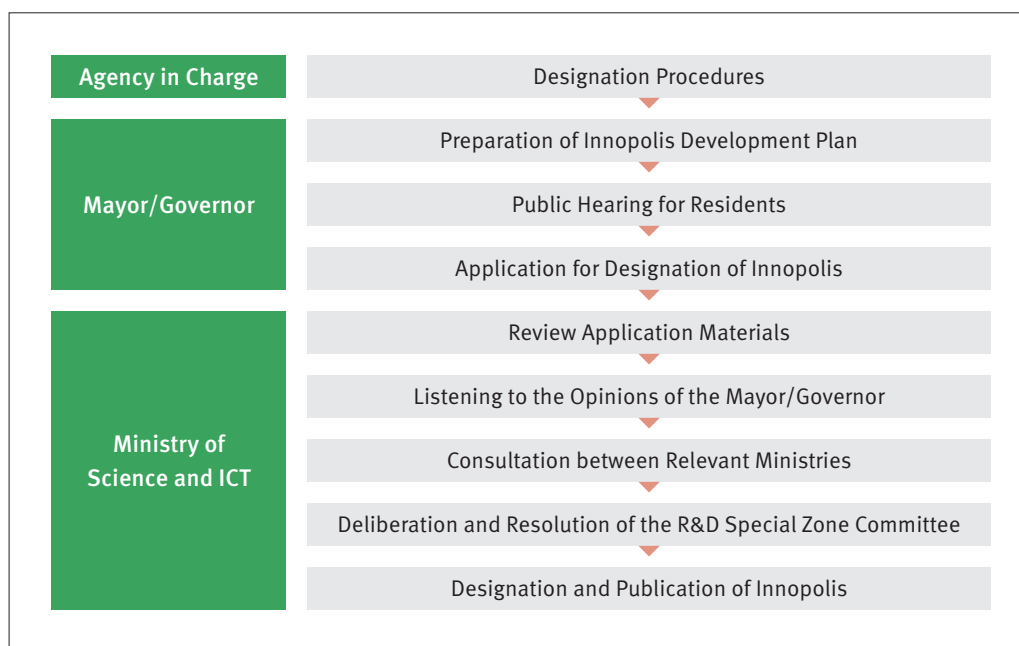
Table 1-4 Requirements for Designation of Innopolis in Korea

Requirements by Special Act on Promotion of Special Research and Development Zones	Requirements by Enforcement Decree of the Special Act on Promotion of Special Research and Development Zones
Integration and linkages of universities, research institutes, and enterprises carrying out R&D projects	40 or more research institutes in the field of science and technology, including three or more national research institutes or government-funded institutes (including branches) - At least three educational institutions (limited to those with engineering undergraduate departments) established under the Higher Education Act, the University of Industry, the College of Technology, and the Bachelor's Program or higher established under other Acts - Consultative bodies between universities, research institutes and businesses
Sufficient conditions for commercialization of R&D results and start-ups	An industrial complex for mass production is located in or near the area
Contribution to science and technology innovation better than other regions	Higher proportion of R&D investment and patent registration than that of other regions
Conditions for attracting foreign universities, foreign research institutes, and foreign-invested enterprises	- Equipped with transportation, communication, infrastructure, living conditions, etc. capable of exchange and cooperation with foreign countries - Research institutes in the region possess internationally competitive technology

Source Ministry of Science and ICT

When the Mayor/Governor requests the designation of an area that meets the requirements for designation of a special R&D zone, the Ministry of Science and ICT reviews the application, and the R&D special zone committee deliberates and designates Innopolis. The designation procedure is shown in Figure 1-4.

Figure 1-4 Procedures for Designating Innopolis



1.3.2. Requirements for Designation of Innotown

In the 2010s, public enterprises, in addition to universities and government-funded research institutes, began to generate R&D results. Along with this, the demand for local governments to be designated as Innopolis has increased. However, it has become difficult to designate additional Innopolis under the existing requirements for designation of Innopolis. The Korean government has realized that it is difficult to promote the commercialization of R&D results nationwide by designating Innopolis depending on whether the number of universities and national research institutes is satisfied. In order to overcome the limitations of the existing Innopolis system, the Korean government created the Innotown system in December 2017.

Innotown is a system that promotes the commercialization of R&D results by focusing on core institutions that have been verified for the excellence of R&D capabilities among universities, public enterprises, and national research institutes. The scope of commercialization was expanded by including public enterprises with accumulated R&D results in technology core institutions. In addition, by granting the right to develop an Innotown and the right to propose R&D projects, technology core institutions can operate an Innotown autonomously. Currently, 14 Innotowns are designated and operated in Korea.

Figure 1-5 Location Map of Innometown

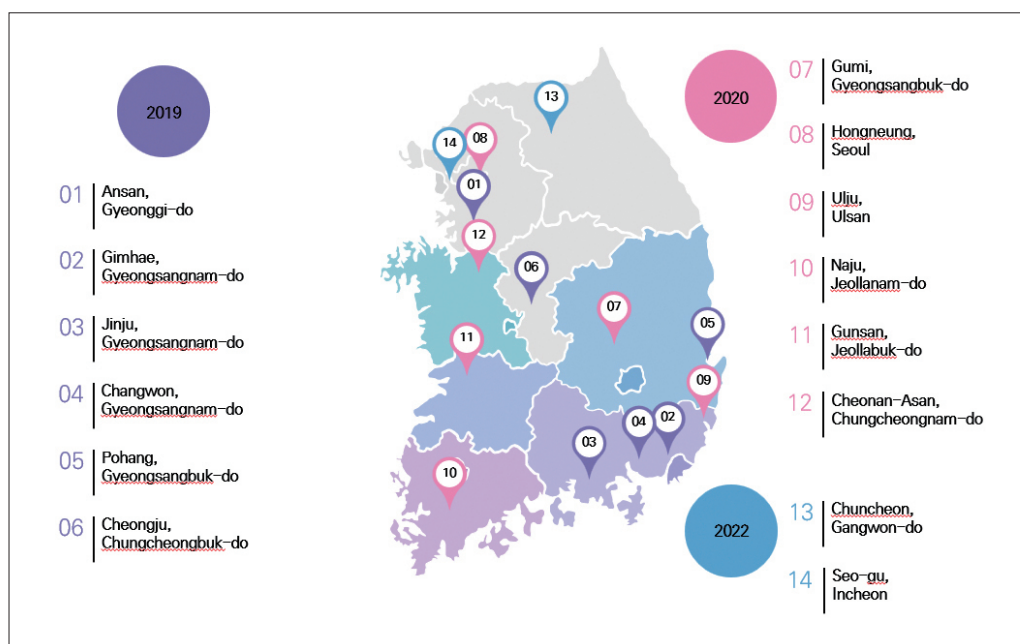


Table 1-5 Current Status of Innometown in Korea

Region	Specialized Field	Total Area	Key Technological Institutions
① Ansan, Gyeonggi-do	ICT convergence parts and materials	1.73km ²	Hanyang University–Erica campus
② Gimhae, Gyeongsangnam-do	Biomedical and medical devices	1.13km ²	Inje University
③ Jinju, Gyeongsangnam-do	Aerospace parts and materials	2.17km ²	Gyeongsang National University
④ Changwon, Gyeongsangnam-do	Unintelligent electricity-based machine convergence	0.65km ²	Korea Electrotechnology Research Institute
⑤ Pohang, Gyeongsangbuk-do	Advanced new materials	2.72km ²	Pohang University of Science and Technology Pohang Institute of Industrial Science and Technology
⑥ Cheongju, Gyeongsangbuk-do	Smart IT parts and systems	2.85km ²	Chungbuk National University
⑦ Gumi, Gyeongsangbuk-do	Smart manufacturing systems	2.57km ²	Kumoh National Institute of Technology
⑧ Hongneung, Seoul	Digital healthcare	1.38km ²	KIST, Korea University, Kyunghee University

Region	Specialized Field	Total Area	Key Technological Institutions
⑨ Ulju, Ulsan	Future batteries	3.01km ²	UNIST
⑩ Naju, Jeollanam-do	Intelligent solar power and energy storage	1.69km ²	Korea Electric Power Corporation
⑪ Gunsan, Jeollabuk-do	Eco-friendly electric vehicle parts and materials	2.70km ²	Kunsan National University
⑫ Cheonan-Asan, Chungcheongnam-do	Next-generation vehicle parts	1.86km ²	Korea Automotive Technology Institute
⑬ Chuncheon, Gangwon-do	New biomedical materials	1.86km ²	Kangwon National University
⑭ Seo-gu, Incheon	Environmental pollution treatment and management based on ICT convergence	2.22km ²	Incheon National University

Innotown consists of one or more technology core institutions and background spaces. The area of Innotown shall be within 2km², and the separation distance between the technology core institution and the background space shall be within 3km as a straight line. Universities, national research institutes, public institutions, public enterprises, and public corporations can be technology core institutions. Technology core institutions must meet quantitative conditions related to R&D personnel, amount of R&D investment, patent applications, technology transfers, and technology transfers. They also meet qualitative conditions, as Table 1-7 shows.

Table 1-6 Quantitative Requirements for Designation of Innotown in Korea

(unit: persons, million dollars, number)

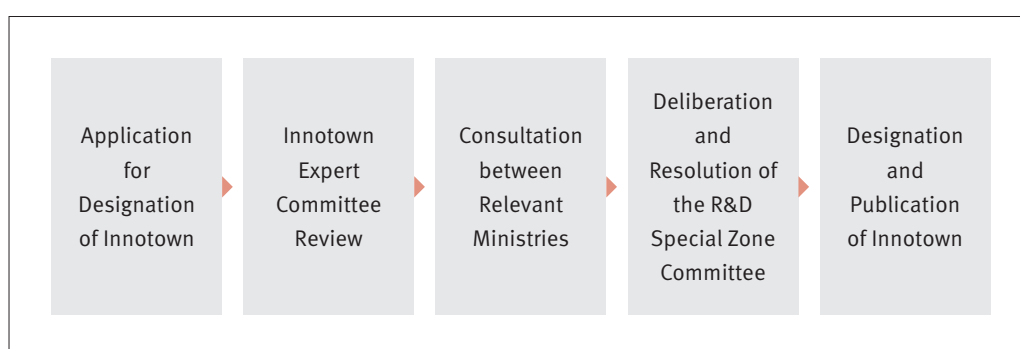
	R&D personnel	Amount of R&D investment	Number of patent applications	Number of technology transfers	Amount of technology transfers
Universities	470	18.8	145	30	0.31
Research Institutes	400	76.1	185	70	1.22
Public Institutions	280	22.5	100	20	0.22
Other Institutions	280	15.2	100	20	0.22

Table 1-7 Qualitative Requirements for Designation of Inn town in Korea

Evaluation Criteria	Details
Innovation Milieu	Regional R&D Capabilities
	Level of Industrial Development in the Region
Background Space	Appropriateness of Background Space Development Plan and Utilization Plan
Network	Level of Domestic and Foreign Exchanges and Cooperation in the Application Area
Technology Commercialization	Appropriateness of Technology Commercialization Plan of R&D Performance
Specialized Industry	Linkage between the Core Industries of the Region and the Direction of Inn town Development
Regional Development	Effect of Regional Economic Development through the Development of Inn town
Regional Conditions	Economic, Environmental, and Living Conditions of the Region

The Mayor/Governor who wishes to designate an Inn town shall hold a public hearing and listen to the opinions of residents and experts, and then request the Minister of Science and ICT for the designation. When the request for designation of Inn town is submitted, the Inn town Expert Committee may review it and request an amendment to the request for designation. The Ministry of Science and ICT shall consult with the relevant ministries after listening to the opinions of the Mayor/Governor on the amendment to the request for designation of Inn town. After consultation with related ministries is completed, the Ministry of Science and ICT designates an Inn town after deliberation by the R&D Special Zone Committee. The procedure for designating Inn town is shown in Figure 1-6.

Figure 1-6 Procedures for Designating Inn town



1.4. Policy Suggestions

1.4.1. Proposed Guidelines for the Selection of STP in Peru

1) Reinforcement of Quantitative Designation Requirements

The STP guidelines of CONCYTEC are very well designed qualitatively, but they do not specifically present quantitative designation requirements. There are six guidelines for the establishment and operation of STP, which describe in detail the requirements that STP initiatives must meet qualitatively. However, it does not provide standards for what requirements the universities and private sectors that operate STP must meet quantitatively.

In Korea, the Innotown guidelines specifically present the quantitative requirements that technology core institutions must meet. The quantitative designation requirements of Korea's Innotown are R&D personnel, amount of R&D investment, number of patent applications, number of technology transfers, and amount of technology transfers. Therefore, if the Peruvian government wants to designate an STP representing Peru, it is necessary to reinforce the quantitative designation requirements in addition to the current qualitative designation requirements.

Table 1-8 shows the comparison of Quantitative Designation Requirements for Korean and Peruvian Universities using statistics available in Korea and Peru. The requirement for designating an Innotown by Korean universities is to average the performance of individual universities for each item. Since there are no Peruvian statistics on the number of technology transfers and the amount of technology transfers, only three items were compared and analyzed.

As a result of the analysis, it can be seen that it is difficult to apply Korean standards as they are because the R&D resources and performance of Peruvian universities are lower than that of Korea. Therefore, as in the case of Korea, the average value of six universities with master plans approved by CONCYTEC in Peru can be used as a quantitative designation requirement.

Table 1-8 Comparison of Quantitative Designation Requirements for Korean and Peruvian Universities

(unit: persons, million dollars, number)

	R&D personnel	Amount of R&D investment	Number of patent applications
Average of Korean Universities	470	18.8	145
Universidad Nacional San Agustín (UNSA)	244	0.08	52
Universidad Nacional Agraria La Molina (UNALM)	177	1.5	25
Universidad Nacional Mayor de San Marcos (UNMSM)	555	0.04	93
Universidad Nacional del Centro del Perú (UNCP)	114	s/o	69
Universidad Nacional Intercultural de la Selva Central Juan Santos Atahualpa (UNISCJSA)	12	0.02	6
Universidad Nacional Hermilio Valdizán (UNHEVAL)	78	s/o	32
Average of 6 Peruvian Universities	197	0.41	46

The results of calculating the item-by-item average of six universities in Peru, centering on the three quantitative designation requirements, are presented at the bottom of Table 1-8. No university exceeds the average in all three designation requirements, and there are two universities that exceed the average in both designation requirements. In the amount of R&D investment, the number of Universidad Nacional Agraria La Molina (UNALM) is very high, and it is necessary to reconfirm whether this is the correct number. In addition, since there are two universities where statistics on the amount of R&D investment are not available, it is necessary to reset the average value for this indicator by checking statistics later.

If there are other quantitative indicators available in addition to the three indicators presented as quantitative designation requirements, they may be added. If no university satisfies all quantitative designation requirements, it is proposed to designate two or more out of three quantitative indicators as STP at the national level.

Table 1-9 shows the quantitative designation requirements of STP proposed for the Peruvian government.

Table 1-9 Proposed Quantitative Designation Requirements for STP in Peru

(unit: persons, million dollars, number)

	R&D personnel	Amount of R&D investment	Number of patent applications	Number technology transfers
Universities	200	0.4	50	10
Research Institutes	170	0.5	60	20

2) Spatial Criteria for STP Designation

It is necessary to specify the designation requirements so that universities, research institutes, and industrial complexes are concentrated within a certain distance. If the STP's designated area becomes too wide, there is a concern that cooperation activities between related organizations will weaken. In Korea, the separation distance between the technology core institution and the industrial complex should be within 3 km as a straight line. Peru also needs to clearly define the separation distance so that research institutes and industrial complexes are located close together. In the case of Peru, there are not many industrial complexes, so it is recommended that the separation distance between technology core institution and industrial complex be 20 km.

When determining the spatial range of STP, it is necessary to secure the developable area as much as possible by reviewing the scale of land supply in preparation for future industrial demand. It is necessary to review whether the scale of STP is properly set as a designated requirement in consideration of the demand for a new location in the specialized field of STP.

In order to promote continuous technical commercialization, it is desirable that the STP include a site that can be developed in the future. If it is difficult to secure a site that can be developed, it is necessary to plan it as a conservation site so that it can be used as a developable site in the event of additional demand. If designated as an STP, there may be restrictions on building activities and real estate transactions, so it is necessary to determine the spatial scope so that there are no residents' complaints.

3) Establishment of Infrastructure Necessary for Technical Commercialization

In order to revitalize STP, an appropriate location for start-up companies must be provided. Considering that most of the STP companies are high-tech companies, it is expected that there will be a lot of demand for locations that combine research functions, production functions, and housing functions.

In the STP designation, it should be important to examine whether there are sites and buildings for start-up companies that promote technology commercialization. It is necessary to include in the STP designation requirements whether there is a building

or industrial site in which start-up companies can move in within or near the STP. Since start-up companies want a building-type location that can conduct R&D and prototype production rather than a large-scale site, the size of the space where start-up companies can be located can be quantified and included in the designation requirements.

It is necessary to ensure that the STP, where R&D institutions and production facilities are located geographically close, can receive high scores when selecting. In addition, whether a good residential facility for R&D personnel to settle near the STP can be an important designation requirement.

1.4.2. Resetting the Peruvian STP Roadmap

1) National STP Roadmap in Peru

According to CONCYTEC's report, the process of creating and starting up an STP usually requires the execution of 18 phases or actions. It can be concluded that by trying to optimize processes as much as possible and developing the different actions required in parallel, whenever possible, the time required from the initial determination by an entity to create a Science or Technology Park and its operational start-up is unlikely to be less than 27 months. According to the generic roadmap, CONCYTEC presents the current status of each of the proposed territorial areas and an estimate of the necessary steps to be taken and expectations to be taken into account in order to have a Technology Park in operation.²

In CONCYTEC's report, the development roadmap for individual STPs is presented, but the overall STP development roadmap for Peru is not presented. Therefore, we would like to present a national STP roadmap under the assumption that around five STPs representing Peru were newly selected according to the new STP designation criteria that reinforced quantitative standards.

There are 32 STP initiatives with different levels of progress. Of these, 21 initiatives are showing activities to foster STP. However, out of 21 initiatives, only 6 have master plans approved by CONCYTEC. The six STP initiatives are being promoted by universities, and it was analyzed that there is a big difference in the innovation capabilities of the six universities. Therefore, it is not expected that there are many Peruvian universities and research institutes that can meet the strict quantitative designation requirements.

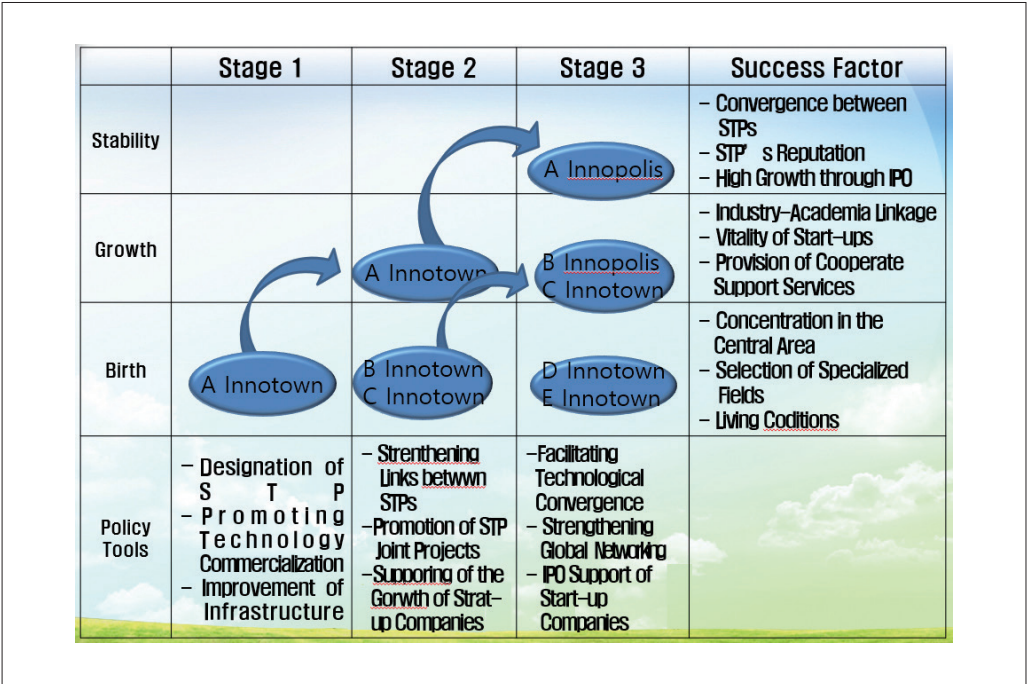
Assuming that the Peruvian government provides financial support for STP, it is necessary to select universities or research institutes with excellent technology commercialization capabilities. As the number of STPs selected increases, the financial burden on the Peruvian government increases, so five to six STPs on the premise of state

² CONCYTEC (2014), Evaluation of Science and Technology Parks in Peru, p.221~225

financial support will be appropriate for about 10 years.

Under this assumption, Figure 1-7 shows the STP roadmap in Peru by setting the planning period at one stage as 3 years and dividing the development stage of STP into birth, growth, and stability. In the first stage, one Innatown is selected, and in the second stage, two Innatowns are selected. In the third stage, it is expected that one of the Innatowns in the first stage and the Innatown designated in the second stage will develop into an Innopolis. A roadmap was established by combining one Innatown designated in the second stage and two additional Innatowns designated in the third stage, with three Innatowns and two Innopolis operating in the third stage.

Figure 1-7 National STP Roadmap in Peru



2) Key Challenges for Realization of STP Roadmap

i. Financial Support and Tax Incentives for STP

Financial support from the Peruvian government must be supported to promote the growth of STP. The Peruvian government needs to provide a budget to CONCYTEC to support technical commercialization, fostering startups, and industry-academia cooperation activities. In addition, corporate tax, income tax, and acquisition tax need to be reduced or exempted for five years for companies moving into the STP. Financial support and provision of tax incentives will help the development of STP.

ii. Strengthening the Role of Universities

Universities contribute to the development of local industries through industry-academia cooperation by utilizing the accumulated scientific knowledge. Universities play a key role in the development of industrial clusters by creating start-up companies and promoting technology commercialization within the region. For this reason, universities in major developed countries are gradually turning themselves into ‘entrepreneurial universities’. Therefore, it is necessary to actively utilize universities in STP so that universities can become substantial contributors to the development of local industries.

iii. Supporting the Growth of Start-up Companies

Start-up companies established through STP need to provide customized support programs for rapid growth. Various supports related to product commercialization, product design, finance, and marketing of start-up companies should be provided. It is very important to create success stories by selecting star companies among start-up companies and providing intensive support.

iv. Implementation of Joint Projects between STP

Financial incentives need to be given to joint projects to induce cooperation between STPs. In addition, programs to support human exchanges between universities and research institutes, and between research institutes and companies, should be provided.

v. Hosting STP-led Tech Fair

It is necessary to hold a Tech Fair where universities, research institutes, and companies in STP can gather in one place to exchange technology and information. Universities and research institutes use the Tech Fair as a place to promote R&D achievements by providing information on the latest technology to companies.

vi. Co-building a Global Network

In order to strengthen the competitiveness of STP in the long term, it is necessary to improve access to global research resources by promoting cooperation with famous overseas research institutes. Peru's leading STP should play a role in establishing a global network and connecting it to other STPs. Through the establishment of a global network, it is possible to improve the quality of research by identifying global R&D trends and collecting information.

vii. Creating STP Brand Value

It is necessary to support the development of the region into a high-tech science city in the long run by using STP as a testbed for high technology. STP should contribute to

enhancing the brand value of the region by operating eco-friendly transportation, creating a smart city, and expanding the supply of new and renewable energy.

Table 1-10 Summary of Key Policy Suggestions

	Policy Suggestions
Quantitative Designation Requirements	• R&D personnel: 200 persons (universities), 170 persons (research Institutes) • Amount of R&D investments: \$0.4million (universities), \$0.5million (research institutes) • Number of patent applications: 50 (universities), 60 (research institutes) • Number of technology transfers: 10 (universities), 20 (research institutes)
Separation Distance	20 km between technology core institution and industrial complex
Core Infrastructure	Buildings or industrial sites in which start-up companies can move in within or near the STP
Financial Support and Tax Incentives	• Budget for CONCYTEC to support technical commercialization • Reduction or exemption of corporate tax, income tax, and acquisition tax

Enhancement Strategy for STP Management and Performance Evaluation Systems

2.1. Introduction

Science and Technology Parks (STPs) support local companies by linking the research and development capabilities and outcomes of universities and research institutes with industry. Therefore, STPs are regarded as a key policy tool to revitalize not only the local economy but also the national economy through the development of a knowledge-based economy, and all countries, whether developed or developing, are developing and operating STPs.

Most of the science and technology parks in Peru are pursuing transformation into STPs through an incubation phase, and there is no STP recognized by the government. In order to foster STPs, CONCYTEC of Peru is formulating related laws and guidelines to induce the systematic establishment of STPs nationwide. Currently, in order to obtain approval for the establishment of science and technology parks, 32 STP initiatives have submitted master plans to CONCYTEC, and among them, 21 have been selected as review targets, and finally, 6 locations have received differentiated approval for their master plans.

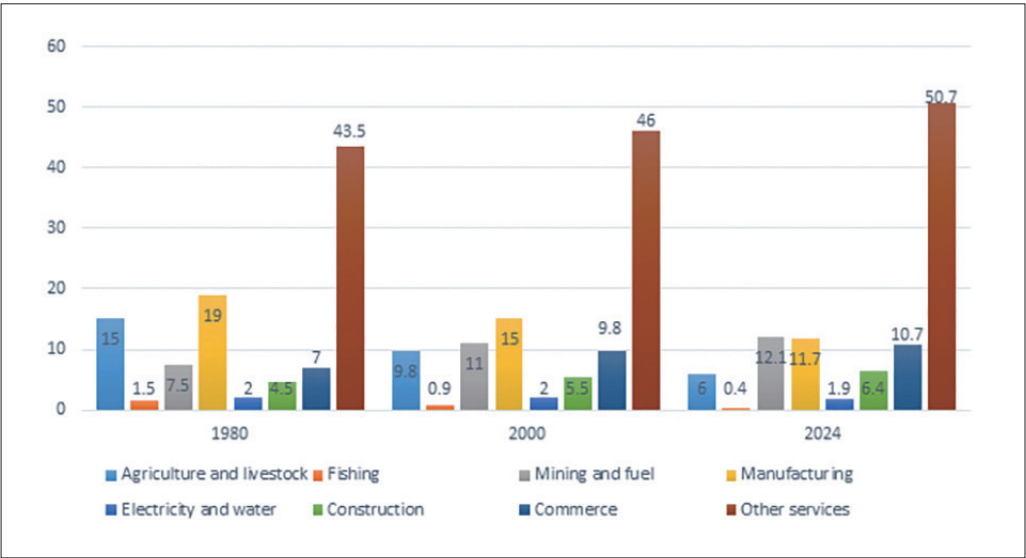
The purpose of this chapter is to provide direction through the Korean case in the process of building a performance evaluation system for STPs established by Peru's CONCYTEC, and it is largely composed of three areas. First, it explains the science, technology, and innovation capabilities of Peru and the current status of STP development. Second, it examines STP performance evaluation systems through various literature and cases, and identifies the actual application case of Korea's Daedeok Innopolis. Lastly, it makes suggestions on the operation and performance evaluation systems of Peru's STPs.

2.2. Analysis of STI in Peru

2.2.1. Current Status of Peru's Economy and Industry

Peru is a country with significant growth potential, supported by its abundant natural resources and diverse industrial base. As shown in Figure 2-1, the Peruvian economy is composed of various sectors, including mining, agriculture and fisheries, manufacturing, and services. As of 2024, the mining sector accounts for the second-largest share of Peru's GDP (12.1%) and plays a central role in the national economy. Peru is the world's second-largest producer of copper and also possesses rich mineral resources such as gold, silver, and zinc. The agriculture and fisheries sector, although its share of GDP has declined somewhat over the past 40 years, still remains a core component of the economy. The manufacturing sector is mainly composed of processing industries that are closely linked to mining, fishing, and agriculture, demonstrating strong interdependence with the primary industries. In addition, the services sector accounts for approximately 50% of total GDP, with tourism serving as a key driver of growth.³

Figure 2-1 Industrial Structure Change of Peru



Source Peru's Economic and Business Report, EY.

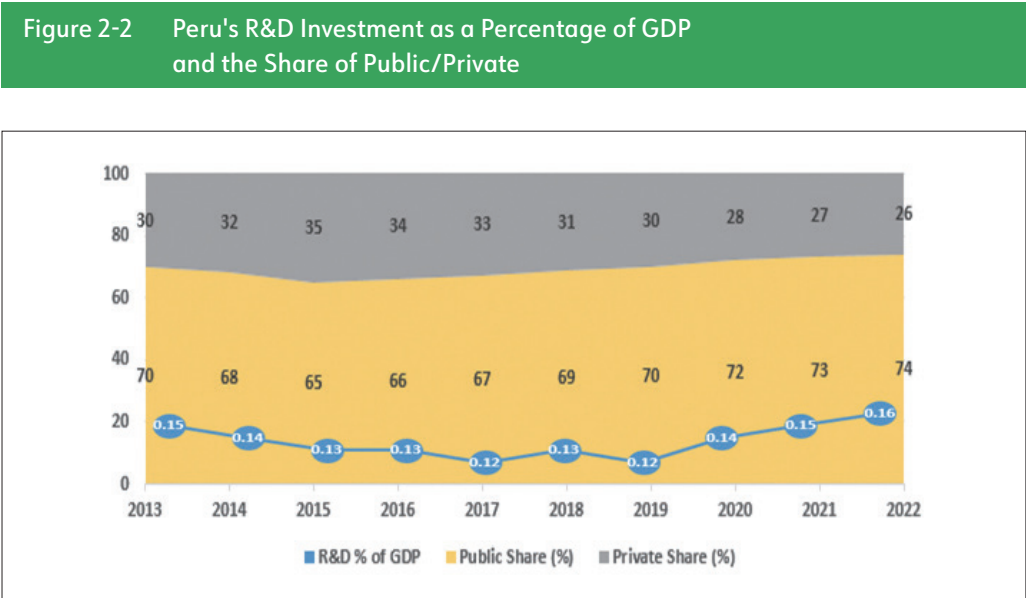
3 Central Reserve Bank of Peru, Peru's Gross Domestic Product (GDP) by Industry Sector

Despite the sharp economic decline during the COVID-19 pandemic, the Peruvian economy has shown a stable growth rate averaging around 3% per year over the past 10 years.

As shown in Figure 2-2, Peru's national competitiveness has shown a declining trend, falling from 52nd place in 2020 to 63rd place currently. The cause is assessed to be a combination of structural problems and external variables. In this situation, the STP model, which enhances national competitiveness through industry-academia-research collaboration, is increasingly coming to the fore.

2.2.2. Peru's STI (Science, Technology & Innovation) Capabilities

As shown in Figure 2-2, Peru's research and development (R&D) expenditure in 2022 accounted for 0.164% of GDP, which is significantly lower than the global average of approximately 2%. However, it has been showing signs of improvement, gradually increasing each year from 0.12% in 2017. The share of the private sector in total R&D expenditure expanded from 30% in 2013 to 34% in 2016, but began to decline from 2017 and decreased to 26% by 2022. Consequently, the public sector's share rose to 74%.



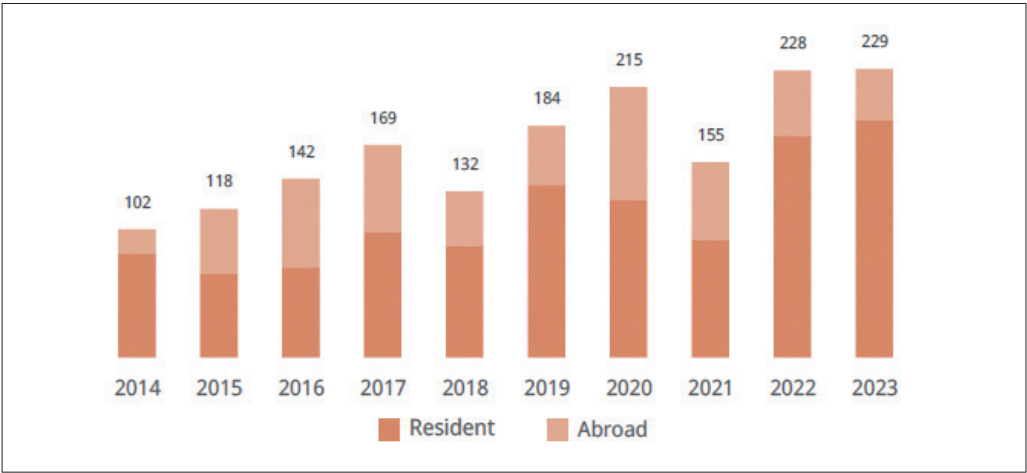
Source Trading Economics & OECD.⁴

⁴ <https://tradingeconomics.com/peru/research-and-development-expenditure-percent-of-gdp-wb-data.html>
<https://www.oecd.org/en/data/datasets/research-and-development-statistics.html>

Considering this situation, it can be inferred that science and technology development in Peru is being led more by the government than by the private sector, indicating that the conditions for private enterprises are not favorable.

In terms of science and technology research personnel, Peru had 147 researchers per one million people as of 2023, which is significantly lower than neighboring countries such as Chile, Colombia, and Mexico, where the figure stands at around 400.

Figure 2-3 Patent Applications in Peru



Source WIPO statistics database; 3/2025

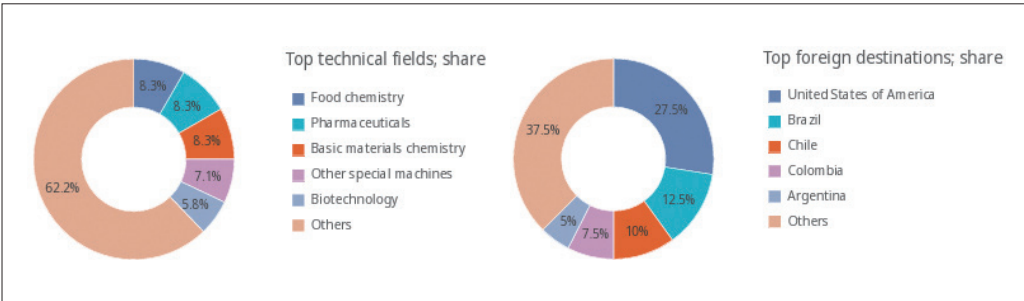
Regarding patents, which are the foundation for developing science and technology innovation products, Peru recorded 5.5 patent applications per 100,000 people in 2023, ranking 80th globally—indicating low competitiveness. However, given the steady increase in patent filings over the past 10 years, patent activity in Peru is expected to improve significantly in the future. Figure 2-4 shows that the total number of patent applications, including both domestic and international filings, increased from only 102 in 2014 to 229 in 2023—more than doubling during this period.

As shown in Figure 2-4, when the filed patents are categorized by technical field, food chemistry, pharmaceuticals, and basic materials chemistry each account for 8.3%, machinery accounts for 7.1%, and biotechnology accounts for 5.8%. The remaining 62.2% fall under other fields. Considering the proportion of patent applications, it can be seen that Peru's industry shows relative strengths in the life sciences and basic chemistry sectors, such as food chemistry, pharmaceuticals, and basic chemical materials. Moreover, the high proportion of “others” indicates that Peru’s technological development is taking place across a broad range of sectors rather than being concentrated in a specific industry. Therefore, it is necessary to adopt a strategy of

selection and concentration through the development of regional strategic industries linked to Science and Technology Parks (STPs) in the future.

A total of 40 patents have been filed abroad, most of which have been registered in the Americas. Among them, the United States accounts for 27.5%, Brazil 12.5%, and Chile 10%.

Figure 2-4 Distribution of Patents by Technical Fields and by Nations



Source WIPO statistics database; 3/2025

The number of scientific and technical journal articles published annually in Peru is at an upper-middle level globally, totaling 5,425 publications per year, ranking 66th in the world according to Wikipedia, List of countries by number of scientific and technical journal articles (2024). However, the proportion of international collaborative research remains relatively low.

When examining the distribution of institutions filing patents in Peru, universities account for the largest share at 27.8%. This indicates that university-centered STPs could be a reasonable and well-justified strategy, given that patent activity reflects key sources of innovation and startup development in the country.

2.3. Development of Peru's STPs

2.3.1. Progress of STP Development in Peru

Since the 2000s, the Peruvian government has introduced the Law on Science, Technology, and Technological Innovation with the aim of promoting sustainable economic development by leveraging regional science, technology, and innovation capabilities. Under the leadership of CONCYTEC, preparations for STP development began.

In 2016, private universities such as the Pontifical Catholic University of Peru (PUCP) and Universidad Peruana Cayetano Heredia (UPCH) attempted to develop university-centered science and technology parks in collaboration with overseas institutions. However, due to a lack of continuous resource mobilization and experience, the projects failed to progress successfully beyond the planning stage.

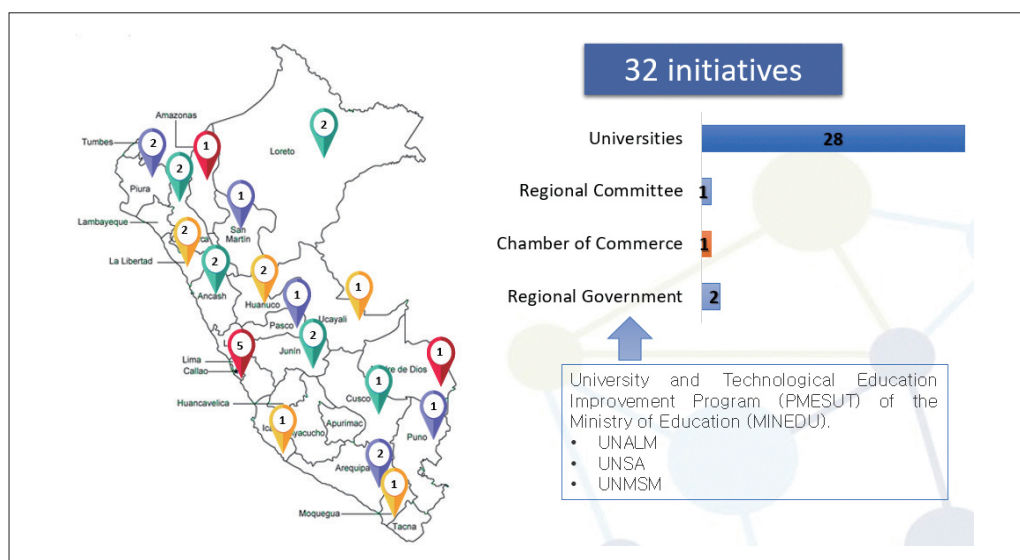
As no fully operational science parks currently exist in Peru, CONCYTEC prepared and completed a basic guideline for the development and operation of science and technology parks in 2014, in order to promote systematic development.

As of 2024, 32 science and technology parks are under development across the country. Among them, 28 are being developed with universities at the center, one is led by a regional committee, another by a regional chamber of commerce, and the remaining two are being promoted under the leadership of local governments.

Among these, the universities UNALM, UNSA, and UNMSM are developing their science parks through support from the University and Technological Education Improvement Program (PMESUT) of the Ministry of Education (MINEDU).

CONCYTEC has identified 21 out of the 32 proposed science parks as having high potential for successful implementation.

Figure 2-5 Status of STPs in Peru



Source: CONCYTEC

Unlike in Korea, where the development of STPs was promoted with financial support from the central government as part of a national balanced development strategy, STP development in Peru is being carried out primarily by universities and local governments without financial assistance from the central government. CONCYTEC, a national agency under the central government, is responsible for enacting regulations related to the establishment of STPs and managing the designation process in order to guide the systematic development of STPs at the regional level.

Institutions seeking to establish an STP are required to prepare a master plan in accordance with the guidelines established by CONCYTEC. This master plan must go through CONCYTEC's approval process, through which the proposed implementation plan must be further refined and detailed.

As of now, a total of 32 STP initiatives have submitted master plans to CONCYTEC. Among them, CONCYTEC has identified 21 candidate STPs as having prepared master plans of adequate quality and as possessing the necessary capabilities for STP development. These 21 candidates must ultimately obtain approval from the National Congress for the formal establishment of their STPs, and they are following a structured process based on the criteria set out in the guidelines.

Among the 21 STP initiatives, 17 are led by universities, 2 are led by local governments, and 2 are promoted by private organizations.

When these science and technology parks (STPs) are classified by region, 21 STPs are located across 13 of Peru's 25 regions. In the capital city, Lima, four STPs are being

developed. In five regions, two STPs are being promoted respectively, and in seven regions, one STP is being promoted in each.

When these STPs are classified into three geographical zones, 12 are being developed in coastal areas, 3 in the Amazon region, and 6 in mountainous regions. This indicates that STPs are being established relatively nationwide, with a notable concentration in coastal regions close to the capital city, Lima.

Table 2-1 CONCYTEC-Recommended STP Specialization Areas

Category	Technological Domain	Industrial Domain
Area	• Life Science and Biotechnology • Materials Science and Technology • Information and Communication Technology • Environmental Science and Technology • Basic Science	• Agriculture, Livestock, Agribusiness • Fisheries, Aquaculture • Mining, Processing, Forestry, Energy • Telecommunications, Tourism, Healthcare • Education, Environment

Source CONCYTEC, Author's elaboration

CONCYTEC has presented the priority areas for Peru's STPs in both technological and industrial domains, as shown in Table 2-1. The characteristic of the direction suggested by CONCYTEC is to advance the traditionally strong agricultural, livestock, and mining sectors of each region into high value-added industries such as life sciences and materials, while also fostering and supporting high-tech fields such as information and communications technology.

Currently, the specialized technological fields of the six STPs that have received phased approval for their master plans reflect the directions suggested by CONCYTEC. However, the scope is broad and the number of proposed fields is extensive, making it difficult to implement all of them with limited resources. Therefore, when CONCYTEC reviews the master plans, it is necessary to limit the number of specialized technological fields to a maximum of two major categories and no more than five subfields.

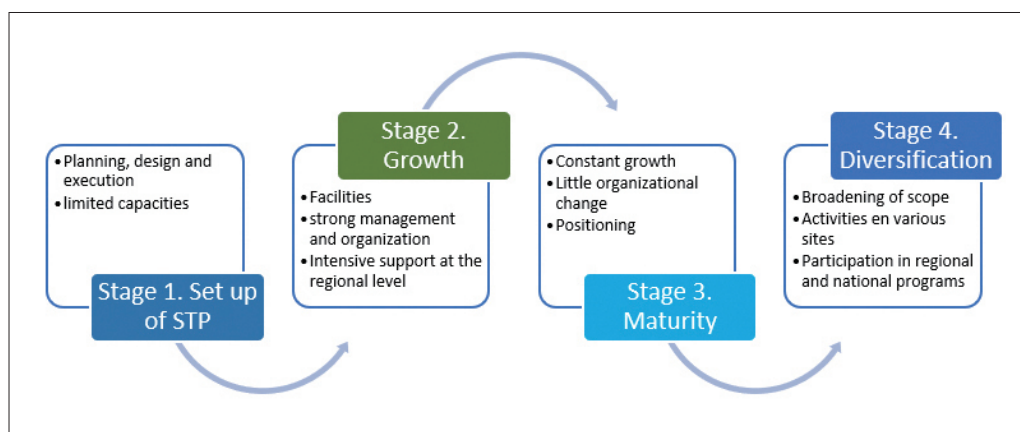
2.3.2. Peru's Science and Technology Park (STP) Designation Strategy

CONCYTEC has established and is promoting six guidelines for the establishment and operation of STPs. Institutions wishing to establish a science park must reflect these guidelines in their master plan and submit an application to CONCYTEC for the establishment of an STP, which ultimately requires approval from the National Congress.

The six guidelines are as follows :

- Guideline 1. The STP initiative must define and carry out activities related to the development phase.
- Guideline 2. The STP initiative must design a clear and robust strategy for its establishment and development.
- Guideline 3. The STP initiative must design and implement a technology transfer plan.
- Guideline 4. The STP initiative must identify key stakeholders and cooperate with them.
- Guideline 5. The STP initiative must provide specialized technical services.
- Guideline 6. The STP must obtain CONCYTEC's approval at each stage of development in order to receive certification.

Figure 2-6 The process of developing an STP by CONCYTEC



Source CONCYTEC

As shown in Figure 2-6, CONCYTEC defines the process of STP development and growth in four major stages: setup stage, growth stage, maturity stage, and diversification stage. Among them, the setup stage is the most important stage. During this stage, the STP selects specialized fields from among various industries based on analysis of the environment and capabilities of the region where the STP is located. Furthermore, a detailed plan must be established for both the hardware aspects related to the physical facilities of the STP and the software aspects related to industry-academia cooperation and technology commercialization.

CONCYTEC divides Stage 1 into three phases according to the completeness of the master plan: the planning phase, the design phase, and the execution phase. For each phase, an approval process is applied to assess the readiness and enhance the

completeness of the project. If an STP fails to receive approval in a given phase, it must prepare again and reapply.

In Peru, regardless of whether it is a public or private institution, all entities wishing to establish and operate an STP are legally required to follow CONCYTEC's guidelines in establishing the STP. Although STPs established under CONCYTEC's guidelines do not receive direct financial support from the government, they are given indirect benefits such as eligibility to receive government approval when applying for funding from international banks or organizations.

Currently, a total of six STPs initiatives have received master plan approval from CONCYTEC, and all of them are in the initial setup phase, undergoing the approval process for their master plans. However, when categorized into three stages based on the completeness of their master plans, UNCP is in the execution phase, UNALM is in the design phase, and the remaining institutions—UNSA, UNISCJSA, UNHEVA, and UNMSM—are all in the planning phase.

2.3.3. Analysis of STP Capabilities in Peru

The weakness in national research and development also affects the universities promoting science and technology parks, and the current research and development environment of the six designated science and technology parks is under challenging conditions. However, despite these circumstances, the universities have recently been steadily increasing the number of registered patents.

In particular, in the case of UNMSM, despite having a limited research and development budget, the university has filed 93 patent applications over the past five years and registered 46 patents, indicating that it is well-prepared for technology commercialization through collaboration with the industrial sector.

2.3.4. Review of the CONCYTEC Guidelines

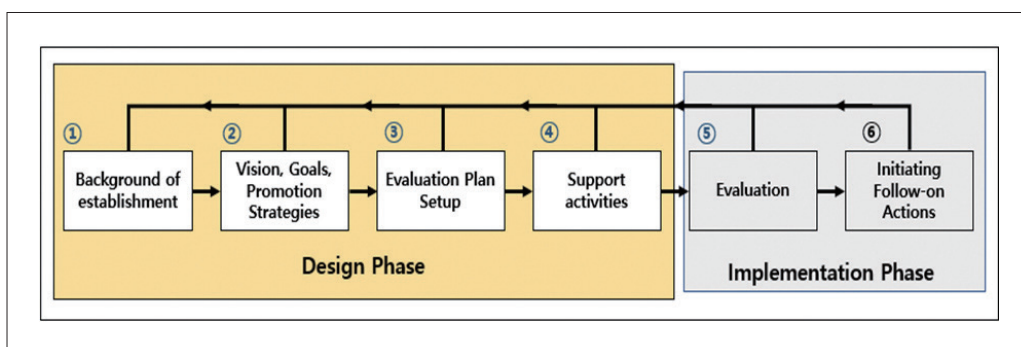
The six guidelines, which serve as the foundation for the master plan that must be prepared in order for an STP to receive official approval from the government, is designed with a focus on preparation. As a result, there is a lot of overlapping content across the stages, and it is necessary to revise the direction to focus on implementation. That is, in order for the approval system itself to be practically successful, the preparation should be simplified, the STP's facilities should be strengthened during the implementation process, and the system should be changed to one that grants approval based on the actual results achieved.

2.4. Korean Experience in STP

2.4.1. Understanding Performance Evaluation Systems of STPs

Measuring the performance of an STP is a challenging task due to the high degree of diversity among STPs. Therefore, it is essential to closely examine the interrelationship between the background and objectives of the STP's establishment and its performance. In general, the purpose of establishing an STP is to promote commercialization through technology transfer of innovation outputs, create employment, strengthen industry-academia collaboration between companies and universities or research institutes, attract investment, and enable the strengthening of networks, thereby facilitating the transition to an innovation-driven economy. In order for an STP to achieve these objectives, it must establish appropriate performance indicators and build an evaluation system to implement them.

Figure 2-7 Process of Setting Up the Performance Evaluation System



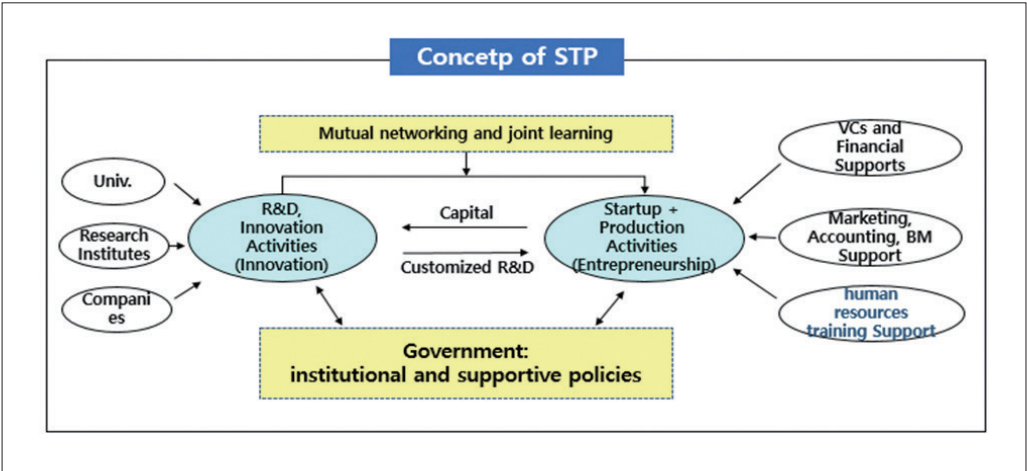
Source Author's elaboration

As shown in Figure 2-7, the STP evaluation system can be largely divided into two phases: the evaluation system design phase and the evaluation implementation phase. The evaluation design phase involves re-examining the overall context of the established institution and designing performance goals and the corresponding activities to achieve those goals. The evaluation implementation phase is where evaluations are conducted based on specific criteria and where results are derived and feedback is provided.

The first phase can be subdivided into four detailed steps. The first step refers to the tasks that an individual STP must undertake before setting a feasible STP vision and performance indicators that fit its own STP environment. This is a process of understanding the region in which the STP is located, and it includes not only grasping

the social, economic, and physical environment of the area but also identifying the specific needs of the stakeholders in that region. During this step, the STP must meet with as many innovation actors as possible, conduct interviews, collect relevant data, and analyze the contents. The second step involves setting a reasonable vision and goals for the STP based on the understanding of stakeholders' needs and the local environment, and establishing strategies to achieve them. When setting the vision, it should be directed toward becoming a research and development-driven innovation region, where research outcomes from the university are efficiently transferred to and utilized by companies. In setting the goals, university-centered STPs should be able to promote the simultaneous development of both the regional innovation system and the national innovation system.

Figure 2-8 The Workflow of STP in a Nation



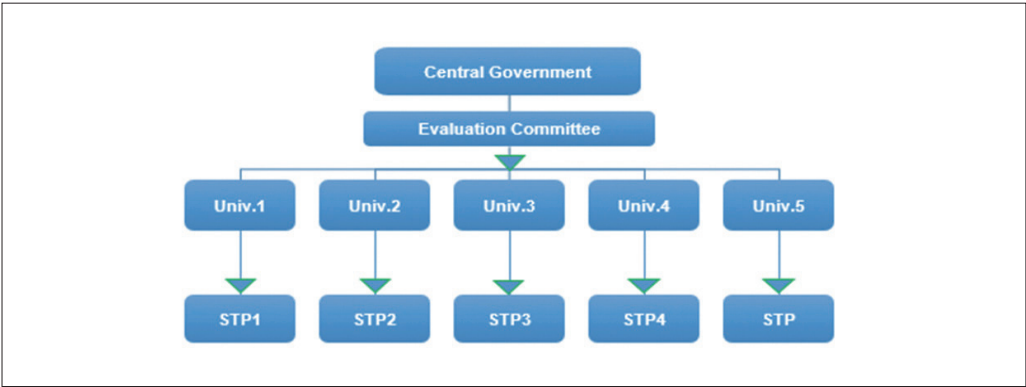
Source Author's elaboration

That is, as shown in Figure 2-8, the goals should involve fostering industry clusters or research and innovation capabilities specific to the region, with the university, enterprises, local governments, and the central government as core actors. As for the strategies, they may include establishing a system in which R&D outputs from universities and research institutions within the STP are commercialized, advanced technologies are continuously generated, and corporate outcomes are reinvested into university R&D. These strategies are not detailed implementation projects, but rather elements intended to achieve the defined goals. The third step is the process of establishing the evaluation plan and performance indicators. In order for performance evaluations to be conducted fairly and transparently, the evaluation plan must clearly define the purpose of the evaluation, the evaluation framework, the timing of the evaluation, and the performance

indicators in a way that is agreeable to those being evaluated.

The purpose of STP performance evaluation is to enhance the efficiency and accountability of institutional operations in order to achieve the individual objectives of each STP, and ultimately to accomplish improved outcomes. Furthermore, the STP management organization can utilize the results of performance evaluations to increase operational efficiency and promote organizational innovation. Additionally, based on the results of the performance evaluation, the government can provide incentives by differentiating budget allocations and performance-based bonuses for each STP, thereby motivating them. In the end, performance evaluation can guide each STP to carry out its work in alignment with the national policy goals of the government.

Figure 2-9 The Evaluation Workflow of STP



Source Author's elaboration

As shown in Figure 2-9, the evaluation framework can be implemented from two perspectives. The first is evaluation at the level of the central agency that oversees all STPs in the country. The second is an evaluation conducted by the parent institution that established the STP. In the first case, the evaluation by the central government must assess both the institution that established the STP and the organization managing the STP. This is because the performance of the STP management organization is significantly influenced by the extent to which the founding institution supports it. In the second case, individual universities conduct evaluations of their own STPs based on self-defined evaluation criteria. For this, an evaluation committee is formed, and to ensure fairness and reliability, the committee is mainly composed of external experts who have no conflicts of interest.

As shown in Figure 2-10, the timing of the performance evaluation is not set to begin immediately in the following year after consultations between relevant institutions on the evaluation method are concluded. Instead, a pilot evaluation period of 1 to 3 years is

established. This is because it is difficult for an STP to achieve meaningful performance in its early stages for the following reasons:

- Need to secure time for organizational stabilization: Time must be provided to establish internal foundations such as personnel, budget, and systems.
- Improvement of working conditions: Institutions must be equipped with the necessary personnel, systems, and infrastructure to fulfill their legal functions and be allowed to focus on establishing a foundation for achieving practical outcomes.
- Securing performance data: To conduct meaningful evaluations, operational results and data over a certain period of time are necessary.
- Ensuring fair and effective evaluation: Without sufficient operational experience, evaluations cannot properly reflect the actual capabilities or improvement efforts of the institution.

Figure 2-10 Sample Schedule for Mid-Term Performance Evaluation of STP

Year	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	~~
Period	Pilot Period			Evaluation implementation period			Evaluation implementation period
Planning & Implementation	Annual plans under the three-year mid-term plan			Plan & Action	Plan & Action	Plan & Action	Plan & Action
	Implementation	Implementation	Implementation				
Performance		1st Year Test Performance Evaluation	2nd Year Test Performance Evaluation	3rd Year Test Performance Evaluation	4th Year Actual Performance Evaluation	5th Year Actual Performance Evaluation	Mid Term Performance Evaluation ~~
Incentive (Assigned Budget)				No Incentive		2nd Year Performance Incentive	3rd Year Performance Incentive ~~

Source Author's elaboration

In the case of newly established STPs, even if a three-year grace period is granted for performance evaluations, evaluations are still conducted annually. However, the application of incentives or penalties based on those results begins in the sixth year. The institution responsible for the evaluations can use this test period to rationally systematize the performance evaluation system and performance goals.

Furthermore, performance evaluations are generally structured in three-year cycles (terms), and the three-year evaluations can be averaged to conduct separate mid- to long-term evaluations. In general, the performance goals of an STP are set and pursued in the short, medium, and long term. At this time, the short term is defined as 1 year, the medium term as 3 or 5 years, and the long term as 10 years or more. The figure below illustrates the performance evaluation system for the short term (1 year) and medium

term (3 years).

As shown in Figure 2-11, STP performance indicators can largely be categorized into four areas: strengthening innovation capacity, performance in technology commercialization, satisfaction level, and the contribution of local governments (or universities) toward the development of the STP.

The first category, innovation capacity indicators, evaluates how much the STP is improving its STI (Science, Technology & Innovation) capabilities through its innovation activities. These can be quantitatively measured by the number of patent applications and registrations within the STP, and the number of master's and doctoral degree holders in science and engineering fields.

The second category is performance in technology commercialization, which can serve as a core metric for the STP and is evaluated mainly based on outcomes. This includes quantitative data such as the revenue of companies located within the STP, the number of employees, the number of newly established startups, the number of technologies transferred from research institutions to the private sector, and the amount of investment received by STP-based companies from venture capital or other investment entities. In addition to these direct outcomes, efforts to support resident companies and achievements in regional collaboration can also be included. Especially, support for tenant companies and collaboration achievements are qualitative aspects that are difficult to quantify, thus they fall under qualitative evaluation.

The third category is satisfaction of resident institutions. This is mainly evaluated based on the results of surveys. While the results can be quantified, interpreting and analyzing them involves a degree of qualitative judgment, so this category is considered a hybrid (mixed) type of evaluation.

The fourth category pertains to the contribution of the supporting institution, which may be a local government or university, to the STP. This evaluates how much the institution contributes to the STP through strategy formulation, financial input, regional cooperation efforts, and environmental improvement initiatives. Among these, the amount of financial input and regional cooperation activities can be assessed quantitatively, while strategy formulation and efforts to improve the STP environment are considered qualitative indicators. Specifically, the qualitative evaluation of strategy and environmental improvements focuses on what strategies the local government (or university) developed and how they were executed, as well as the extent of qualitative efforts such as institutional improvements or infrastructure development. On the other hand, financial input is a quantitative indicator evaluated based on figures such as how much budget the local government invested in the STP and the amount of R&D project funding. The regional cooperation item includes some quantitative elements, but because it also encompasses collaborations with affiliated institutions or investment attraction activities by the local government, it is primarily qualitative in nature.

Table 2-2 Sample Key Performance Index of STP

Category	Performance Index	Type
STI Capacity Level	IP Application and Patents	Quantitative
	Researchers with Phd and Master in STI	
Commercialization Performance	Revenue ifrom businesses	Quantitative
	Number of Startups	
	Number of Employements	Quantitative
	Technology transfer	Qualitative
	Venture Investment Attraction	
Satisfaction Level	Satisfaction level of tenant institutions	Quantitative
Local Government (Univ.) Contribution Level	Strategic planning	Qualitative
		Quantitative
	Fiscal injection from Govemment	Quantitative
	Linkage with regional capabilities	Qualitative
	STP facility infrastructure improvement efforts	Qualitative

Source Author's elaboration

In the overall evaluation of performance indicators, quantitative (measurable) evaluation should account for approximately half, while the remaining portion should be composed of qualitative or mixed-type indicators. This approach is considered reasonable in evaluating STPs, as it reflects not only measurable performance outcomes but also institutional efforts, willingness to collaborate, and qualitative transformations in a comprehensive manner.

The fourth stage is to design concrete implementation projects aimed at achieving the established performance indicators. At this stage, the implementation projects become highly specific and detailed in order to attain the performance metrics.

The core activities of the STP focus on promoting the commercialization of technologies developed by universities and research institutes centered around the STP, revitalizing technology-based startups, and establishing a startup ecosystem within the STP to facilitate the practical diffusion of regional R&D outcomes and to advance the regional economy.

Specific implementation projects include:

- Support programs for helping excellent technologies obtain patents
- Projects for discovering promising technologies

Projects for transferring the discovered technologies to the private sector

- Product development support projects to commercialize the transferred technologies

- Mass production support projects
- Sales and marketing support projects

These are all projects that aim to promote the commercialization of products through technology transfer.

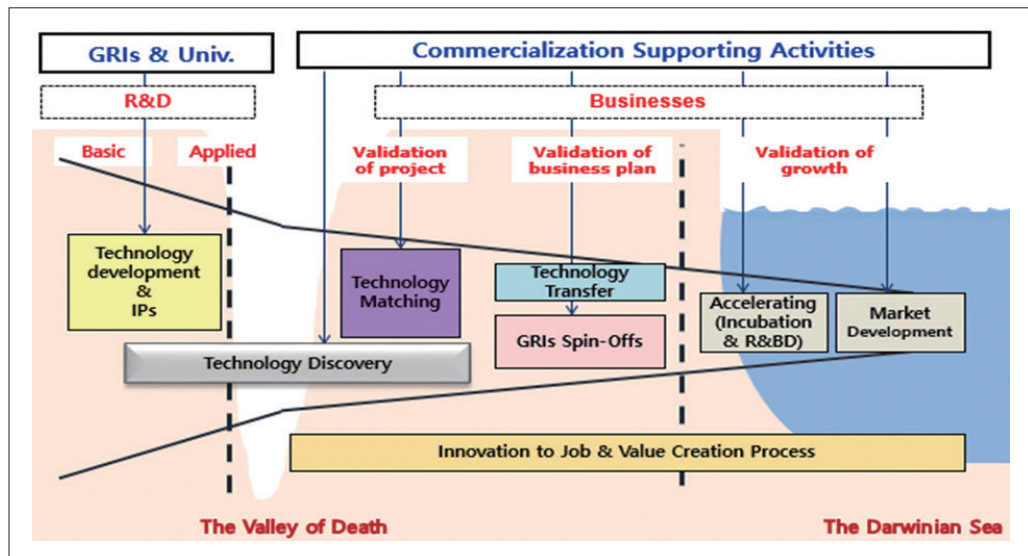
Additionally, there are projects to promote technology-based startups, such as:

- Startup consulting and education programs using new technologies
- Support programs for linking investments and funding

Furthermore, in order to establish a startup ecosystem in the STP region, projects may be designed, such as:

- Industry-academia-research collaboration support projects
- Projects to attract institutions supporting technology commercialization
- Projects for the construction and operation of startup support facilities

Figure 2-11 The Process of Technology Commercialization



Source Author's elaboration

To explain in detail the technology commercialization support programs that an STP can implement, as shown in Figure 2-11: The first stage of technology commercialization—namely, technology transfer and commercialization—refers to programs that identify outstanding technologies from public research institutions that are eligible for transfer, and support their transfer to private companies, thereby connecting them to technology-based startups or commercialization opportunities.

The second stage is the technology startup promotion support program within the STP, which provides step-by-step, customized support to prospective entrepreneurs and early-stage startups. This includes startup education, prototype production, market validation, and investment linkage. Through these programs, the success potential of technology-based startups is substantially improved.

The next stage is the startup financing linkage support program. STPs can establish and operate dedicated local STP funds, and in addition, support promising technology-based startups to secure growth capital through linkages with external investment institutions. In other words, through cooperation with private venture capital firms, STPs induce investment in both the early and growth stages of technology startups.

In addition, it is important to expand the model of establishing companies based on the technologies of universities and public research institutes located within the STP. To this end, STPs can also design programs to provide institutional, financial, and marketing support in the early stages, helping research-based companies successfully settle in the market.

STPs also operate a variety of programs to support global expansion of STP-based companies, international technology collaboration, intellectual property (IP) strategy development, and regulatory exception (sandbox) utilization. Furthermore, STPs should plan institutional strategies that enable companies to pursue R&D and commercialization in a freer and more innovative environment.

Moreover, STPs should promote cooperation with other regional STPs and work collaboratively to build organically connected ecosystems among universities, research institutions, and companies across multiple regions.

The fifth stage is the implementation of performance evaluation. This begins with notifying the STP of the confirmed schedule for the performance evaluation. The key elements of the performance indicators and evaluation methodology are already defined when the performance evaluation plan is established.

Generally, if the evaluation is based on provisional business performance data, it can be conducted at the beginning of the year. However, if it is to be based on more accurate performance results, it is conducted in April, after the completion of the previous year's business and after the corporate financial statements have been finalized through audits.

Once the evaluation schedule is finalized, the STP collects the performance data from the previous year's activities, organizes it according to the provided performance report format, and submits it to the evaluation agency.

While the agency overseeing the STP is responsible for the evaluation, the actual evaluation is carried out by forming an evaluation committee composed of external experts. This ensures fairness and reliability in the evaluation process.

The evaluation consists of both a document-based review (which evaluates the submitted data) and a presentation-based review, where the STP directly presents its

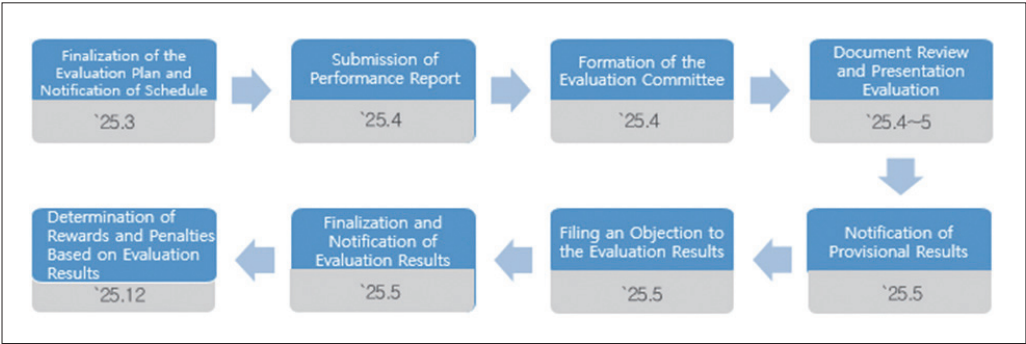
achievements to the evaluation committee.

After the evaluation is conducted, the preliminary results are communicated to the STP. If the STP disagrees with the results, it may file an objection with the evaluation agency, thereby ensuring fairness and credibility.

In general, the objection must be submitted within 7 days of receiving the result. Upon receiving the objection, the evaluation agency forms a separate objection review committee, which conducts a re-evaluation within 15 days from the date of receipt.

Once the objection review process is complete, the final evaluation result is officially notified to the STP. The result is converted into a score, and based on the performance score achieved, the STP is rated according to either a three-tier system (Excellent, Average, Poor) or a four-tier system (Outstanding, Excellent, Average, Poor).

Figure 2-12 Performance Evaluation Implementation Process



Source Author's elaboration

The sixth stage of performance evaluation, Initiating Follow-on Actions, is the stage in which improvements to existing systems, revisions to strategies, policy enhancements, and institutional reforms are implemented based on the evaluation results, with the aim of improving and continuously developing the STP.

To carry out this stage, five major activities can be undertaken: First, analyze the STP's situation as revealed by the performance evaluation results to comprehensively identify the strengths and weaknesses of the STP. Second, revise and reinforce the existing strategies based on this analysis. In the case of early-stage STPs, unexpected situations may arise, making it essential to revise and strengthen strategies after evaluation. These strategic adjustments can be applied across the short, medium, and long term. It is also necessary to determine the priorities for improvement and implementation based on the results. Third, adjust human resources, budget, and organizational structure according to the revised strategies. Based on the evaluation results, STPs should determine their internal priorities, reallocate resources, reorganize their structure, and develop

a detailed implementation roadmap. Fourth, improve relevant policies and systems by working with various government ministries to reflect the needs of STPs and their resident organizations, and introduce new policies and regulations if necessary. Lastly, establish a performance tracking system so that all of these follow-up activities can be carried out in a systematic manner. This enables the monitoring and management of the implementation status and effectiveness of follow-on actions.

2.4.2. Case Study on STP Management and Performance Evaluation Systems in Korea

1) Introduction to Daedeok Innopolis

① The Birth of Daedeok Research Complex (1973–2005)

In 1973, the Daedeok Research Complex was established as part of a national territorial balanced development strategy to systematically foster the scientific and technological foundation of the Republic of Korea. This was a core task of the National Comprehensive Development Plan promoted by the government since the period of the Third Republic, with the goal of clustering scientific and technological research institutes to generate synergy effects.

This clustering contributed to the development of technological infrastructure, the cultivation of professional human resources, and the advancement of R&D activities, establishing itself as the heart of Korea's scientific and technological development.

② Transition to Daedeok Innopolis (2005–2010)

In 2005, the existing Daedeok Research Complex was expanded and reorganized into the Daedeok Innopolis. This marked a transformation from a mere aggregation of research institutes into a science and technology innovation cluster aimed at the commercialization of research outcomes, promotion of technology-based startups, establishment of a university–industry–research cooperation ecosystem, and attraction of foreign investment.

This institutional reform was supported by the enactment of the Special Act on the Fostering of R&D Special Zones, Daedeok Innopolis (January 2005), and the Korea Innovation Foundation (KIF) was established to oversee the integrated operation and support of Innopolis. The foundation, under the Ministry of Science and ICT, is responsible for fostering businesses within the zones, attracting investment, linking R&D projects, and supporting technology commercialization.

Figure 2-13 Innopolis and Innotown in Korea



Source Korea Innovation Foundation

③ Expansion of Daedeok Innopolis and Launch of Innotown (2011–Present)

Based on the successful case of the Daedeok Innopolis, the government began to expand this model nationwide. Since 2011, with the designation of metropolitan-type Innopolis, the role of regional innovation hubs has been assigned. Currently, a total of five metropolitan-type Innopolises are in operation nationwide, including the Daedeok Innopolis, Gwangju, Daegu, Busan, and Jeonbuk.

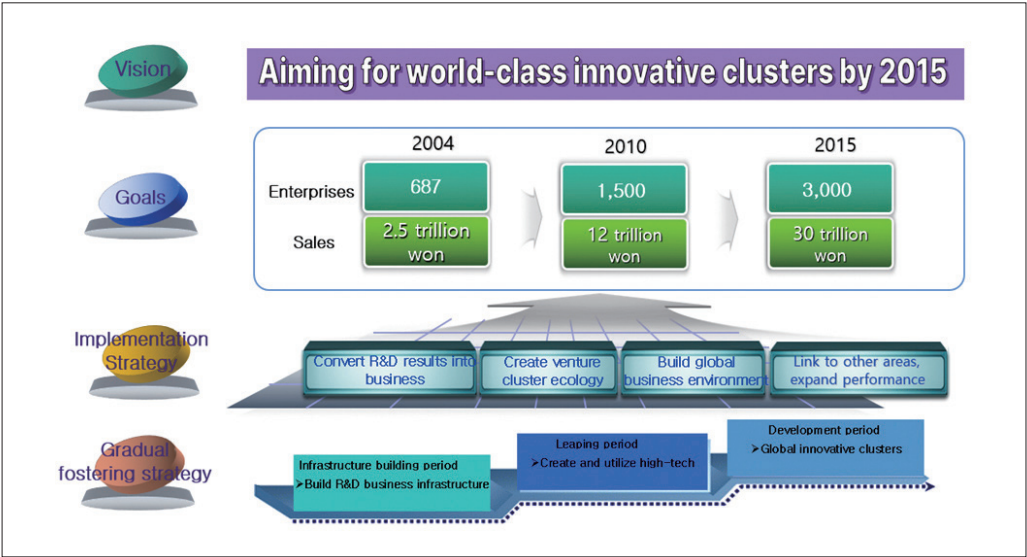
In addition, since 2018, the Small-Scale Innopolis (Innotown) system has been introduced as a localized hub to revitalize the regional economy through the commercialization of research outcomes from local universities or public research institutions with strong innovation capabilities, which serve as core anchors. These Innotowns aim to drive regional innovation and economic growth through specialized technology development and commercialization tailored to local characteristics. As of now, as shown in Figure 2-13, a total of 14 Innotowns have been designated and are currently in operation. Most of these Innotowns are centered around universities with strong research capacity and active university–industry cooperation.

2) Structure and Management of Daedeok Innopolis

① Strategic Direction for the Promotion

Daedeok Science Town was newly launched in 2005 as Daedeok Innopolis, a science and technology innovation park, transitioning from the previous simple science town. To manage and operate this zone, the Korean Innovation Foundation was established under the Ministry of Science and ICT of the central government. Upon its establishment, the Foundation formulated the “Comprehensive Development Plan for Innopolis,” which is a mid-to-long-term development plan for the R&D Special Zones established every five years. Based on the vision, objectives, implementation strategy, and gradual development strategy included in this plan, the promotion of Innopolis was systematically carried out.

Figure 2-14 Vision, Goals, and Implementation Strategies of Daedeok Innopolis



Source MOST

As shown in Figure 2-14, the vision of the initial Comprehensive Development Plan for Innopolis was “To leap forward as a world-class innovation cluster by 2015,” reflecting the goal for Daedeok Innopolis to grow beyond a simple regional STP into an innovation cluster with global competitiveness. A major goal was to double the number of technology-based firms and total sales every five years based on the 2004 figures, prior to the launch of Innopolis.

To achieve the vision and goals, four major implementation strategies were established. The first is to commercialize public research outputs developed by public research institutes and universities. The second is to build a venture ecosystem that

enables smooth commercialization of these research results. The third is to establish a global business environment so that Daedeok Innopolis can grow and expand beyond a local special zone into a world-class commercialization hub. The fourth and final strategy is to spread the achievements of Daedeok to other regions and share its success experiences. The final component of the Comprehensive Development Plan Daedeok Innopolis is to implement specific projects to carry out these four strategies. Detailed and gradual development projects for Daedeok Innopolis are designed and promoted as concrete strategies to achieve the implementation goals.

② Support Program Structure

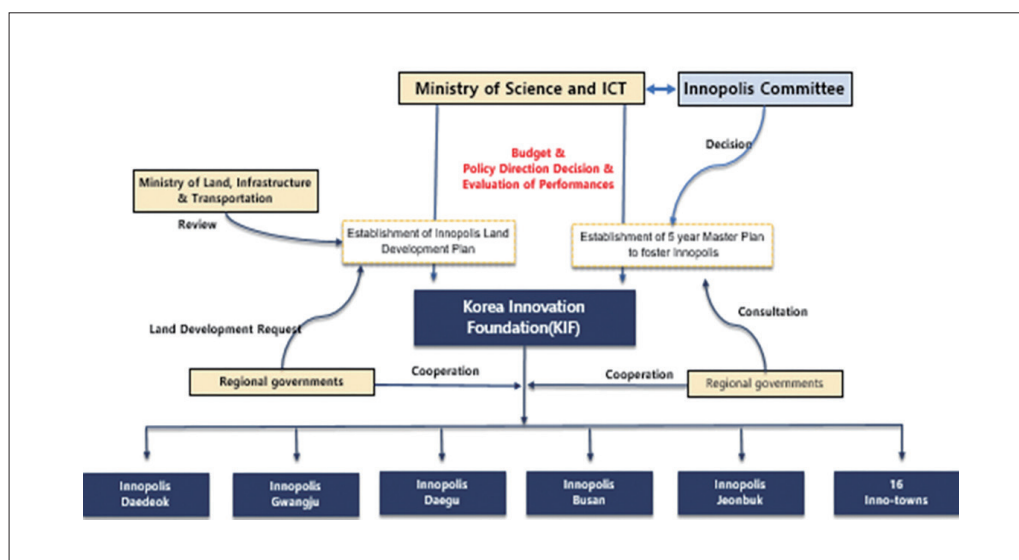
Among the development programs of Daedeok Innopolis, the most important is the commercialization of research outputs, which is divided into six main categories. First, it involves discovering excellent technologies with commercialization potential from universities or research institutes. Second, it supports the transfer of these discovered technologies to private companies or prospective entrepreneurs to facilitate new product development or startup creation. Third, it connects venture capital and provides startup education to help startups successfully run their businesses. Fourth, it supports companies in entering overseas markets. Lastly, it creates various networking events that enable active exchanges among institutions located within the special zone to promote all these activities.

③ Governance System

As shown in Figure 2-15, the operation and governance structure of the Korea Innovation Foundation, which manages the Innopolis and Innotown, is overseen by the Ministry of Science and ICT, the central government authority in charge of R&D Special Zone projects. To implement these projects, the Innopolis Committee, composed of major ministries, is operated to secure inter-ministerial support in areas such as taxation, systems, budget, construction, and education.

Under the Ministry of Science and ICT, the Korea Innovation Foundation has been established to oversee the establishment, management, and operation of Innopolis nationwide. Within the Foundation, there are support organizations for each regional Innopolis that manage the commercialization of research outputs and tenant companies. In this structure, local governments where the individual Innopolises are located cooperate with the regional Innopolis to implement related programs. Local governments focus on supporting infrastructure and facilities within the zones and bear the budget for certain region-specific support programs.

Figure 2-15 Governance of Innopolis



Source Author's elaboration

3) Performance Evaluation System of Innopolis

The Ministry of Science and ICT conducts performance evaluations of five Innopolises and fourteen Innotowns nationwide through the Korea Innovation Foundation. The performance evaluation process of the Innopolises begins from the third step, 'Evaluation Plan Setup,' as explained in Section 4.1 (Understanding Performance Evaluation Systems of STPs), since all Innopolises are currently in the operational phase following their establishment.

The performance evaluation of Innopolis is conducted annually. To facilitate this, the Ministry of Science and ICT, through the Korea Innovation Foundation, establishes a three-year Comprehensive Performance Evaluation Plan, distinguishing between Innopolis and Innotown. The evaluation process separates the five metropolitan zones and fourteen small-scale zones into two distinct groups. The detailed procedures and processes of the evaluation follow the same steps outlined in Section 4.1.

What differentiates the performance evaluation of Innopolis is that it must sufficiently reflect the opinions of the local governments to which they belong. This is because local governments that host either Innopolis or Innotown bear part of the operational costs. In the case of Innopolis, there is no fixed amount required, and local governments are encouraged to contribute voluntarily. However, for Innotown, one of the conditions for designation is that the local government must match the central government's budget allocation with a large share of the total budget. Therefore, evaluating Innopolis or Innotown is, in effect, also an evaluation of the local government of the city where

Innopolis or Innatown is located.

Based on the evaluation results, the budget for the following year is determined, and in cases of underperformance, the Innatown designation may be revoked. Since the initial designation of Innatown in 2018, no zone has had its designation cancelled.

The evaluation indicators are divided into three categories: commercialization performance, satisfaction, and local government contribution. Each category is further broken down into various sub-indicators. To design and determine these indicators, an advisory committee composed of external experts is formed and operated.

2.5. Suggestions

2.5.1. Operational Strategy for Peru's STPs

1) Governance Structure

For a Science and Technology Park (STP) to develop, it is essential not only to have the physical infrastructure of the STP itself but also to have a support organization capable of managing the STP and operating various programs that promote the commercialization activities of tenant institutions. Moreover, the participation of diverse institutions that can provide the necessary budget, personnel, and technical resources for the establishment and operation of both the STP and its support organization is critically important.

According to materials provided by the local consultant, among the six STPs that have received master plan approval from CONCYTEC, two did not specify their governance structures, while the remaining universities provided only general ideas, such as forming a board of directors centered on the university, without presenting clear governance plans. In particular, even in the case of the “STP of the Center” at UNCP, which is already in the implementation phase, a concrete governance structure has yet to be proposed.

Considering that more than 90% of STPs—regardless of whether they are in developed or developing countries—are established and operated for public benefit, the participation of local governments is indispensable. Therefore, even if the local government is unable to provide financial or resource support at the initial establishment stage, it should still be included in the board of directors once the STP is up and running, to encourage gradual support. Local governments may also offer tax incentives, such as acquisition tax reductions, when external companies are attracted to locate within the STP.

More specifically, the governance structure of Peru's Science and Technology Parks (STPs) should be established as a collaborative system that involves a wide range of

stakeholders, taking full account of the capacities of each park's founding entity and the distinctive characteristics of its region.

For instance, in the case of STPs currently approved by CONCYTEC, the governance framework should include not only the founding universities and the STP management organizations, but also the Ministry of Education (MINEDU)—which allocates budgets to universities—the Ministry of Economy and Finance (MEF), and CONCYTEC, which oversees national science, technology, and innovation policies. Furthermore, to promote technology commercialization and to strengthen business development activities within the STPs, it is advisable to include the participation of local governments, regional chambers of commerce, and various business associations. These diverse actors should not only engage in the formulation of strategies and operational management of the STPs with professionalism and independence, but also play a substantial role in securing financial resources and supporting the development and sustainability of the parks.

Furthermore, before this happens, CONCYTEC should at least participate as a board member in the six STPs that have received establishment approval. Even if immediate budgetary support is not possible, CONCYTEC must make efforts to identify the challenges these STPs face and reflect them in future policies.

2) Structure Implementation Projects and Operational Structure

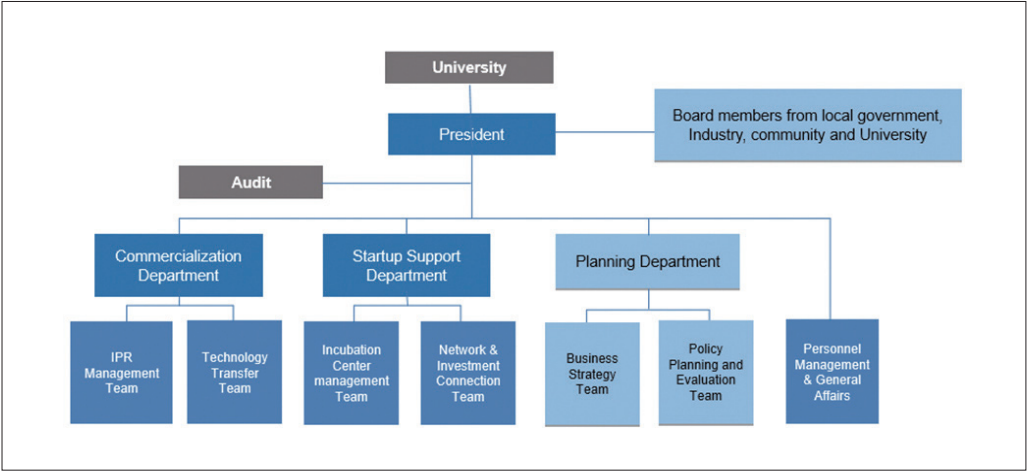
The definition of STPs in CONCYTEC's guidelines, which reflect Law 31250, provides a clear explanation of the functions of science and technology parks and the roles of their operating organizations. The six STPs whose master plans have been approved and which are making significant progress toward final approval have a clear understanding of their roles. However, even these six STPs have not yet reached the stage of full-scale project implementation, and therefore, the specific details of their individual projects are not yet identified.

By specific project details, we refer to the background, objectives, target beneficiaries, budget, and KPIs of the project—all of which must be clearly outlined in the project planning process. In addition, an appropriate organizational structure must be established in advance to effectively implement the projects.

A university-based STP should generally be composed of four core organizational units. First is the technology commercialization department, which is responsible for registering research outcomes as patents and transferring them externally to enable the commercialization of university research results. Second is the startup support department, which manages the incubation center and includes a team that not only connects resident entrepreneurs with external business networks but also facilitates investment opportunities. Third is the planning department, which designs new support programs to be implemented by the STP, conducts research on new STP-related policies and institutional frameworks, and includes a team that evaluates performance. Lastly,

there is the general administration and HR team, which oversees personnel management and general administrative affairs. The following Figure 2-17 outlines the specific functions of each of these teams.

Figure 2-16 Recommended Univ.-Based STP Organizational Structure



Source Author's elaboration

3) STP Implementation Direction

Science and Technology Park (STP), where research capacity is linked to industry to create jobs and promote regional economic development, generally begins with a university-based incubation center. Within such incubation centers are startups founded on university technologies, as well as companies that wish to collaborate with the university's research capabilities and thus choose to locate within the university's incubation center. These centers do not merely offer physical space for early-stage companies, but also provide a variety of support programs, such as business management, marketing, and patent strategy education and mentoring to help these companies grow.

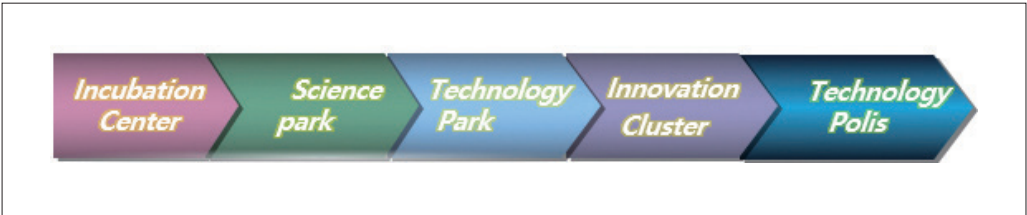
In Korea, the public agency responsible for supporting entrepreneurship, the Korea Institute of Startup & Entrepreneurship Development (KISED), classifies startups into two main categories: technology-based startups and general startups. Technology-based startups refer to ventures engaged in manufacturing, professional services (such as those in professional, scientific, and technical fields), and knowledge-based services (including IT convergence, software, content, and service industries), based on the government's official standard industrial classification. In contrast, general startups refer to small-scale businesses operated by micro-entrepreneurs engaged in modest commercial activities based on existing business models.

Within science and technology park (STP), incubation centers should prioritize fostering technology-based startups that align with the strategic sectors and industrial conditions of the specific region in which the park is located. For example, in Korea's Innopolis or Innotown, the government operates the Advanced Technology Enterprise System to promote the commercialization of high technologies developed within the zones. Under this system, a company located in the Innopolis or Innotown may be designated as an Advanced Technology Enterprise if it meets the following criteria:

- ① It invests at least 3% of its annual sales revenue in research and development (R&D); and
- ② It generates 20% or more of its total annual revenue from products utilizing advanced technologies in priority sectors such as information and communication technology (ICT), biotechnology (BT), or nanotechnology (NT).

Companies designated as Advanced Technology Enterprises are not only eligible for tax exemption benefits but also receive priority access to various government programs that support business growth and innovation.

Figure 2-17 Evolution Process of an STP



Source Author's elaboration

As the role of these incubation centers gradually expands, and their support is no longer limited to resident companies but extended to the surrounding region, the area becomes a university-centered science and technology park. Representative examples include the Surrey Research Park in the UK and Mjärdevi Science Park in Sweden. When such STPs expand beyond the university area and actively link with nearby industries to contribute to regional economic development, they become Technology Parks. As Technology Parks further grow, they evolve into Innovation Clusters, and as these Clusters continue to develop, the entire city can become an innovation zone—a Technology Polis.

Therefore, in order to foster many successful STPs in Peru, the development of as many university-based incubation centers as possible should come first. CONCYTEC should not only focus on STP designation, but also promote policies that enable these incubation centers to serve as hubs for not only startup incubation but also university–industry

collaboration and entrepreneurship education.

According to the report by the local consultant, there are currently 32 regions in Peru where STPs are being promoted, of which 21 have reached a certain level of concreteness. Among these 21 STPs that are showing some level of activity, 17 are led by universities, 2 by local governments, and 2 by private organizations. CONCYTEC should not only be responsible for designating STPs through master plans, but also play a bridging role by supporting the remaining 26 STP candidates to effectively carry out the functions of incubation centers and eventually grow into full STPs.

2.5.2. Direction for Designing STP Performance Evaluation Systems in Peru

CONCYTEC currently has evaluation criteria for the designation and approval of STPs, but no system is in place for performance evaluation. Such a performance evaluation system can be designed by adapting the evaluation framework explained in Section 4-1.

This section aims to point out several considerations that should be taken into account when designing CONCYTEC's performance evaluation system.

First, include innovation capacity as an indicator. The foundation of an STP's performance lies in the technologies and research capabilities generated through research outputs. Without such innovation capacity, it is difficult to expect successful outcomes from an STP. Therefore, CONCYTEC should not only include the universities that lead the STPs as subjects of evaluation but also include innovation capacity as an evaluation criterion in assessing universities. This will encourage continuous, market-driven research activities and output generation.

Second, use incubation activities as the most important indicator for both STP designation and performance evaluation. CONCYTEC's current guidelines focus on the planning and establishment of physical STP infrastructure. As previously mentioned, STPs are an advanced model that grows out of university-based incubation centers. Therefore, even during the approval process based on the STP master plan, CONCYTEC should require applicants to report on ongoing startup support and university–industry collaboration activities. Doing so will help universities recognize the importance of incubation activities. An STP does not succeed simply because physical infrastructure has been built; rather, success is more likely when strong collaboration networks between university research capacity and industry have been established prior to infrastructure development.

Third, develop standardized support programs to help achieve performance goals. To reach final goals such as the number of companies, job creation, and increased revenue, STPs can deploy various support activities in advance. CONCYTEC should

develop standardized programs for these support activities and ensure that each STP can implement them. For example, in the case of Korea's Korea Innovation Foundation, the foundation develops standardized programs that are operated by both metropolitan STPs, Innopolis and small-scale STPs, Innatown. While minor modifications are permitted by each STP, the basic framework remains uniform. To do this, CONCYTEC must also build the capacity to accumulate operational know-how and provide training.

Fourth, establish phased performance indicators that consider the conditions of each STP. Performance indicators should be strategically set based on short-, medium-, and long-term goals. These goals should be differentiated according to the circumstances of each STP. This will enable regional STPs to be evaluated according to their unique context, helping to achieve differentiation among local STPs.

Fifth, promote inter-regional collaboration by diversifying performance indicators. To encourage exchanges between companies and STPs in different regions, joint cooperation programs and business exchange activities should be added as evaluation indicators. This will promote collaboration between local universities and businesses through the STP network.

Activating Peru's STPs through Technology Transfer and Startups in STP

3.1. Importance and Regime of Technology Transfer and Startups in STPs Importance of Technology Transfer and Startups in STPs

Technology transfer and startups have crucial roles within the vibrant ecosystem of a science and technology park. Science and technology parks are dedicated zones designed to foster collaboration between universities, research institutions, and private companies. Its primary goal is to stimulate innovation, economic growth, and the creation of high-tech jobs by providing a supportive environment for the development and commercialization of scientific and technological advancements. Within this dynamic environment, technology transfer and startups are not merely beneficial; they are essential for the park to fulfill its purpose and achieve its full potential.

Technology transfer forms the very lifeblood of a science and technology park. These parks are often strategically located near universities and research institutions, recognizing the immense potential for translating cutting-edge research into marketable products and services. Effective technology transfer mechanisms act as the conduits through which groundbreaking discoveries, intellectual property, and specialized expertise flow from the academic and research spheres to the businesses operating within the park.

The importance of technology transfer within a science and technology park is paramount for several reasons. Firstly, it fuels the innovation pipeline of the companies located within the park. By providing access to the latest research findings and technologies, it enables these businesses, both established and nascent, to develop novel products, improve existing processes, and gain a competitive edge in the market. Imagine a startup in the park focused on developing new medical devices. Access to research on biomaterials or sensor technology from a nearby university, facilitated

through technology transfer, can significantly accelerate their product development timeline and enhance the sophistication of their offerings.

Secondly, technology transfer fosters a culture of collaboration and knowledge sharing within the park. It encourages interactions between researchers, entrepreneurs, and industry professionals, leading to the cross-pollination of ideas and the emergence of unexpected innovations. Seminars, workshops, joint research projects, and licensing agreements facilitated by the park's technology transfer office create a vibrant intellectual environment where knowledge is actively exchanged and built upon.

Thirdly, technology transfer is a key driver of economic development for the region surrounding the science and technology park. By facilitating the creation and growth of technology-based businesses, it generates high-skilled jobs, attracts investment, and contributes to the overall prosperity of the local economy. Successful commercialization of technologies originating from within the park enhances the region's reputation as a hub for innovation and attracts further talent and investment.

Now, let's consider the vital role of startups within a science and technology park. Startups are often the most agile and effective vehicles for translating early-stage technologies into commercially viable products and services. Their inherent risk-taking nature and entrepreneurial drive make them well-suited to navigate the uncertainties of bringing novel innovations to the market.

The presence of startups is crucial for a science and technology park for several key reasons. Firstly, startups inject dynamism and a spirit of innovation into the park's ecosystem. Their focus on disruptive ideas and rapid growth challenges established norms and encourages a culture of continuous improvement among all entities within the park. The energy and ambition of startup founders are often infectious, inspiring other businesses and researchers.

Secondly, startups are significant engines of job creation within the park and the wider region. As they develop and scale their operations, they hire skilled professionals in various fields, contributing directly to employment figures and building a strong local talent pool. Moreover, the success of startups within the park attracts further investment and entrepreneurial activity.

Thirdly, startups play a critical role in the commercialization of technologies originating from universities and research institutions. They are often more willing and able to take on the risks associated with bringing early-stage technologies to the market than larger, more established companies. By licensing intellectual property or collaborating on research projects, startups provide a pathway for academic discoveries to have a real-world impact.

The synergy between technology transfer and startups within a science and technology park is particularly powerful. The park provides a fertile ground where these two forces can interact and amplify each other's impact. Effective technology transfer mechanisms

provide startups with access to cutting-edge research and intellectual property, giving them a competitive advantage. In turn, the presence of innovative and ambitious startups creates a demand for new technologies and provides a clear pathway for the commercialization of research outputs.

Furthermore, science and technology parks often provide startups with crucial support services, such as incubation facilities, mentorship programs, access to funding networks, and business development resources. These resources, combined with access to advanced research infrastructure and a collaborative environment, significantly increase the chances of startup success and accelerate the translation of research into impactful innovations.

In conclusion, technology transfer and startups are indispensable components of a thriving science and technology park. Technology transfer ensures the flow of knowledge and discoveries from universities and research institutions to the businesses within the park, fueling innovation and economic growth. Startups, with their entrepreneurial drive and agility, act as crucial vehicles for commercializing these technologies and creating high-value jobs. By fostering a strong and interconnected ecosystem where technology transfer is efficient and startups are nurtured, science and technology parks can effectively drive regional economic development, enhance national competitiveness, and contribute to solving some of the world's most pressing challenges.

3.1.1. Models and Suggested Regime of Technology Transfer and Startups in STPs

Technology transfer and startups are closely related in the innovation ecosystem, where knowledge and inventions move from research institutions (like universities or labs) to the commercial sector. Various models have been developed to explain or facilitate this process. Here's a breakdown of the most common and impactful models of technology transfer, especially as they relate to startups:

Linear model is like a pipeline model in which knowledge transfers from basic research through applied research and development to commercialization. Startups in this linear model are seen as spin-offs from universities where a patent or research result is commercialized by a new company. This kind of model has some criticism due to being too simplistic, a lack of feedback loops and market influence, and collaborative development.

Interactive model involves feedback between stages: researchers, developers, and markets. They interact with one another throughout the process. Startups encourage early customer discovery and iterative development. This model reflects real-world innovation cycles.

Knowledge-based model emphasizes codified and tacit knowledge transfer, not just intellectual property or products. Entrepreneurial teams often emerge from research labs and universities carrying tacit knowledge, which is crucial for early success for a new startup. Consulting, training, and personnel movement are important as knowledge flow channels.

Network models focus on innovation as a product of interactions among various actors- universities, firms, government, and investors. In this model, startups grow by connecting with mentors, VCs, accelerators, and research labs. The representative case of this model is the triple helix collaboration between universities, industry, and the government sector. This model has expanded to a quadruple helix model, including the community.

Entrepreneurial university model emphasizes that the university proactively fosters entrepreneurship via incubators, technology transfer offices, and seed funding. Startups in this model could be developed by spinouts supported by university infrastructure, policies encouraging faculty and student ventures. This model is popular in the U.S., Europe, and increasingly Asia.

Startup-based model of technology transfer attention startup creation as the main axis of technology transfer rather than licensing to an existing firm. Startup founders can be inventors with early funding through VCs, grants, or incubators. This model is crucial for high-risk, high-reward technologies like biotechnology, AI, and clean technology etc.

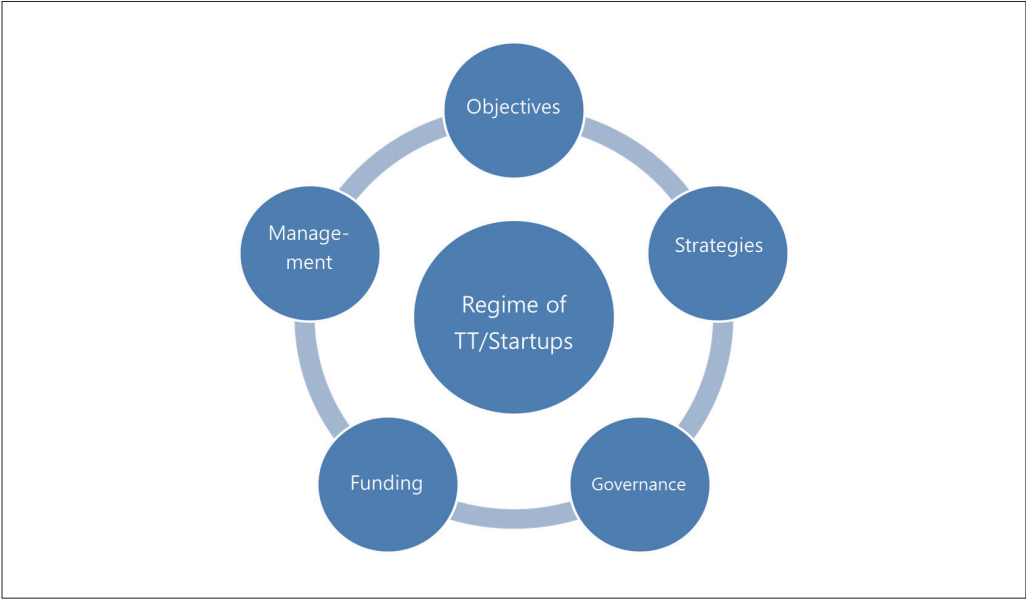
Applying technology transfer and startup models in Science and Technology Parks (STPs) requires creating an environment that bridges research and commercialization through structured support systems, policies, and networks such as: establishment and evolvement of technology transfer office, settlement of incubators and accelerators creation of knowledge exchange platforms, development of entrepreneurial culture, implementation of feedback loop system, and integration of government and policy support.

We need some crucial questions to establish such kinds of systems or regimes to catalyze technology transfer and startups in STPs, as follows:

- 1) Why should STPs try to support and catalyze technology transfer and startups? Or what are the major objectives of technology transfer and startups in many STPs?
- 2) How can we achieve those objectives? Or what are the main strategies to reach those objectives?
- 3) How do STPs make decisions and communicate with each other? Or what kinds of governance should STPs develop?
- 4) How do countries/regions/STPs get money to support technology transfer and startups? Or what kinds of funding mechanisms should STPs develop?
- 5) How do STPs manage supporting programs and institutions? Or what kinds of effective management should be needed to develop?

We could integrate such questions as five elements of a regime of technology transfer and startups in STPs (Figure 3-1), and such a regime could be helpful to analyze advanced cases and implement those cases into new or early-stage STPs.

Figure 3-1 Regime of Technology Transfer and Startups



3.2. Technology Transfer and Startups in Peru's STPs

3.2.1. Objectives of Technology Transfer and Startups in Peru

There is a National Program for Technology Transfer in Peru, which has the following aims: i) to promote a more effective linkage between research centers and industry; ii) to build capabilities in terms of human resources to manage technology transfer accurately; iii) to promote proper mechanisms to institutionalize technology transfer within organizations; iv) to build and foster capabilities to commercialize research results.

According to Peruvian Technical Standard NTP 732.001–2009, technology transfer is the process of transmitting scientific and technological information, knowledge, resources, and exploitation rights to third parties to produce a good, the development of a process, or the provision of a service, contributing to the development of their capabilities.

3.2.2. Strategies to Achieve the Objectives of Technology Transfer and Startups in Peru

Peru has some strategies to achieve those objectives as follows: i) developing appropriate policies and regulations to foster technology transfer; ii) building technology transfer offices in universities; iii) providing tools to evaluate technology based on technology readiness level; iv) strengthening CONCYTEC's capability to support technology transfer in universities; v) establishing STPs for regional-based technology transfer activation.

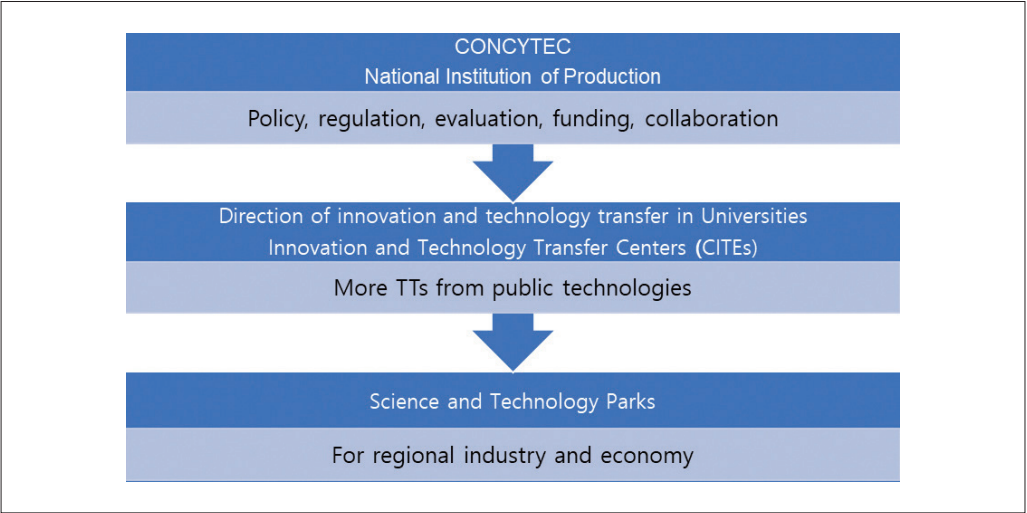
3.2.3. Governance for Active Technology Transfer and Startups

Peru has a governance structure at multiple levels to support technology transfer in STPs. In the government and upper level, COCCYTEC and the National Institution of Production have some rights and functions for designing and implementing policy, regulation, evaluation, funding, and collaboration issues to catalyze technology transfer and startups in STPs.

In the middle level, there are directions of innovation and technology transfer in Universities, and Innovation and Technology Centers (CITEs) to increase technology transfer and startups from public technologies in universities and research labs.

STPs in Peru should play an impressive role in developing the regional industry and economy through more technology transfer and startups. Figure 3-1 shows such kinds of multiple governance for technology transfer and startups.

Figure 3-2 Peru's Governance for Technology Transfer and Startups



3.2.4. Funding for Technology Transfer

STPs in Peru could get a little funding from the central government and CONCYTEC for technology transfer activities. Some STPs have received financing from international organizations like the World Bank and regional funding resources like the mining fund. Various kinds of funding are also available from regional companies, accelerators, and venture capital firms related to technology transfer and startup development activities.

An initiative by ProInnovate under the Ministry of Production, StartUp Perú PLUG offers up to US\$40,000 in funding and mentorship to foreign startups focusing on innovation, sustainability, and climate change. The program aims to help these startups scale and establish operations in Peru, particularly in sectors like Aggrotech, Health Tech, Edtech, and Fintech.

3.2.5. Management for Technology Transfer

Management for technology transfer could happen in the form of programs, guidelines, evaluation, professionals for technology transfer and startups, and consulting and investment ecosystem, etc.

There are some programs in Peru to support technology transfer. Special projects give up to US\$130,000 for scaling up technologies to match societal or productive needs. Such kinds of financing are very important to increase the technology readiness level which are developed in universities or research labs. There is another program called technology development under consortia for value chains to propose solutions to problems and needs of value chains through research, development, and innovation projects, which could raise up to US\$100,000. A vinculate platform has been developed to provide a set of tools for technology transfer and building linkages between academia and industry.

According to the Technical Guidelines for STP in Peru, approved by Presidential Resolution No 216-2019-CONCYTEC-P, STP should have a clear and well-founded creation and development strategy, such as a description of the technology transfer plan in Master Plan Phase 1, and the technology transfer plan in the phase 3 execution stage. Guideline 3 also notices that STP must design and implement a technology transfer plan. Those guidelines emphasize the importance of technology transfer in STP. According to the guidelines, the technology transfer process does not always occur spontaneously, so it is essential to establish a technology transfer plan that guarantees the flow of knowledge within the science and technology park. This plan will allow taking advantage of the benefits offered by geographical proximity, which favors a better transfer of knowledge and facilitates learning processes.

There is also an evaluation of technology transfer plans and activities in the Master Plan. In the Master Plan, the technology plan and activities in STP should be monitored and evaluated by STP itself and CONCYTEC.

StartUp Perú, the dynamic accelerator in Peru, brings together public and private actors to support the creation and growth of new companies based on technological innovation. Entrepreneurs benefit from mentorship, funding opportunities, and access to a vast network of industry experts and investors. Launched by one of Peru's leading digital design agencies, LIQUID Venture Studio is the country's first accelerator for digital startups. LVS aims to share LIQUID's accumulated knowledge and design expertise with young startups throughout the country.

Based in Peru, Salkantay Ventures is an investment fund providing capital to tech companies in Latin America. They focus on early-stage investments in technology startups, particularly in sectors such as fintech, e-commerce, SaaS, and marketplaces. As an early-stage venture capital firm, Angel Ventures Peru invests in innovative startups across various sectors, providing seed and Series A funding along with mentorship and strategic support to entrepreneurs. A group of specialized investors focuses on high-risk capital. The Board of Peru seeks to invest in scalable businesses with global perspectives that already have commercial development.

Peru's science and technology parks (STPs) are increasingly integrating startup accelerators and venture capital (VC) firms to foster innovation and entrepreneurship. Affiliated with the University of Engineering and Technology (UTEC), UTEC Ventures is one of Peru's most active early-stage accelerators. It supports technology startups by providing mentorship, funding, and access to a network of industry experts, aiming to address real-world challenges with global impact. Part of the San Ignacio de Loyola Educational Group, USIL Ventures is a key accelerator funded by the Innóvate Perú program. It offers comprehensive support to startups, including structured coaching, mentorship, and connections to potential investors, fostering growth and development.

3.2.6. Issues of Technology Transfer and Startups in Peru STPs

The regime of technology transfer and startups in Peru STPs is still early stage and has issues to solve. Objectives for technology transfer and startups are different in every STP Park. However, more detailed guidelines and an evaluation index for clear and achievable objective setting are needed. Strategies to achieve the objectives of technology transfer and startups can be different for every goal, however, more appropriate strategies are needed to align with each STP environment for evaluation. Governance of technology transfer and startups should be set to implement those strategies with accountability, transparency, and effective decision-making. Funding plans for technology transfer and

startups should be set with an increase of the fund, more investment from government, private companies, and regional financing. Management plans and methods for technology transfer and startups should be expanded with more catalyzing programs for technology transfer and startups, strengthening capabilities and entrepreneurial venture eco-system, and a measurable evaluation index, etc.

3.3. The Regime of Technology Transfer and Startups in Korea and the UK

3.3.1. Objectives for Technology Transfer and Startups in Korea

According to the Five-Years National Plan for technology transfer and technology commercialization by the Korean central government, there are two objectives: i) establishment of a virtuous circle system of firms' technological innovation; ii) development of a technology commercialization eco-system based on autonomous collaboration.

The objectives and goals of technology transfer and startups in Korea are closely tied to the country's broader economic development strategies, particularly its emphasis on innovation, commercialization of research, and global competitiveness. There are multilevel objectives by the central government and Innopolis commonly to convert academic and public research outputs into viable commercial products and services, and to increase the number of patents licensed or transferred from universities and research institutes to companies. Supporting startups that leverage cutting-edge technologies and increasing the number of high-tech startups and scale-ups, particularly in strategic industries and major objectives. Strengthening industry–academia–government collaboration is necessary to facilitate cooperative frameworks among universities, corporations, and government bodies and to enhance technology transfer rates and foster co-development of solutions for industrial needs. Creating an environment that supports startup growth through funding, mentoring, and incubation is also a major objective.

3.3.2. Strategies to Achieve the Objectives

There are four strategies to achieve the first objective as follows: i) focusing more on the performance-centered R&D; ii) catalyzing technology transfer for the first mover; iii) concentrated support for scale-up commercialization; iv) changing public research

organizations into a cradle of deep-tech startups. Three strategies were set up to achieve the second objective as follows: i) strengthening the commercialization capacity of public research organizations; ii) activating the role and function of private professional agencies; iii) establishing on and offline collaboration platforms.

Korea employs a multi-pronged strategy to catalyze technology transfer and foster the growth of startups, leveraging strong government support, university–industry collaboration, and infrastructure development. There are multiple related strategies, such as more funding and incentives, more effective commercialization infrastructure, public-private partnership and cluster development, and globalization.

3.3.3. Governance for Technology Transfer and Startups in Korea

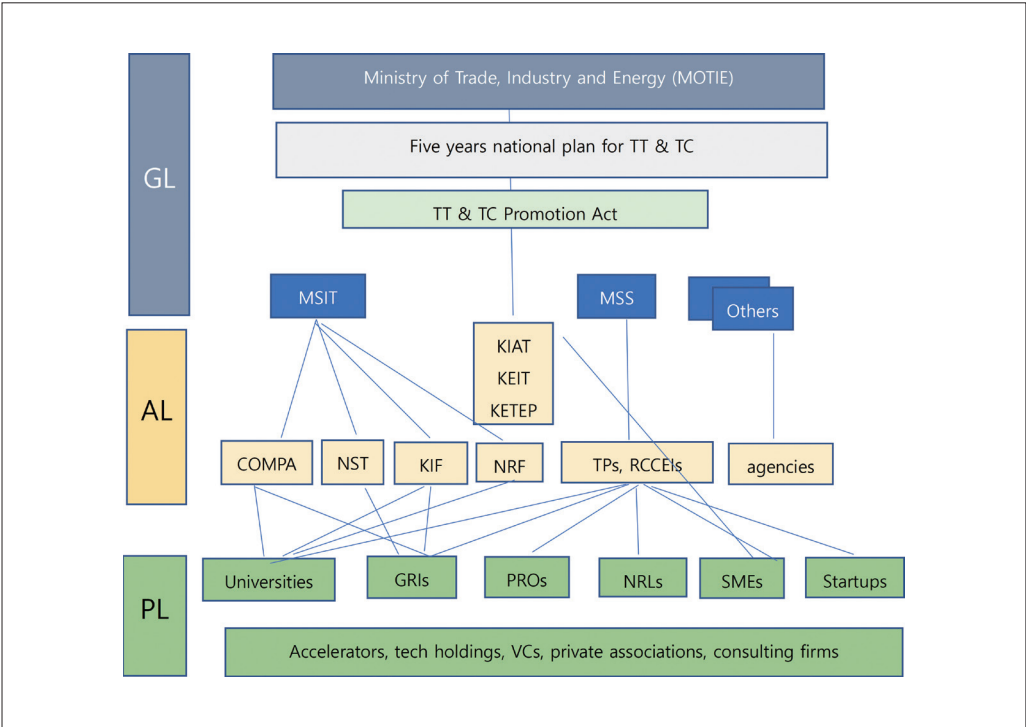
At the government level (GL), the Ministry of Trade, Industry and Energy (MOTIE) is responsible for establishing and monitoring the Five yearly Plan for Technology Transfer and Commercialization Plan based on the Technology Transfer and Commercialization Act. The Ministry of Science and ICT (MSIT) and Ministry of Education (MOE) also have a function to catalyze technology transfer and startups from public research labs and universities. The Ministry of SMEs and Startups (MSS) plays an impressive role in startups creation and promotion. Nearly 20 central government departments have mission-oriented R&D and want to promote technology transfer and startups from their R&D results. Nowadays, many local governments increasingly invest in region-based technology transfer and startups for their regional economic growth and industry development. Despite some distinct and different points, they should follow and match the Five yearly Plan and play a role within the governance monitored by MOTIE.

At the agency level (AL), MOTIE has mainly three agencies to manage technology transfer programs and distribute government budget for technology transfer in different sectors and functions. They are the Korea Institute for Advancement of Technology (KIAT), the Korea Evaluation Institute of Industrial Technology (KEIT), and the Korea Institute of Energy Technology Evaluation and Planning (KETEP). They are not government organizations or civil servants, but private entities funded and managed by MOTIE for policy, regulation, R&D, technology transfer, and commercialization, and international collaboration between industry, public research labs, and universities. MSIT, a major department in terms of R&D budget investment, operates also similar agencies such as National Research Foundation (NRF), Institute of Information & Communications Technology Planning and Evaluation (IITP), Commercialization Promotion Agency for R&D Outcomes (COMPA), Korea Innovation Foundation (KIF) to manage 5 big Innopolis and 16 Innotowns, and National Research Council of Science and Technology (NST), in order to support technology transfer and commercialization of public research results of research

labs and universities, and sometimes research results of industry. MSS also funds and supports 19 Techno-Parks (TPs) and 19 Regional Centers for Creative Economy and Innovation (RCCEI) to support region-based technology transfer and commercialization, and regional industry development.

At the performers level (PL), there are 332 universities, 26 government-funded research institutes (GRIs), 65 national research labs (NRLs), 14 public sector research institutes (PRIs), and private research associations and companies. Figure 3-3 shows such a whole structure.

Figure 3-3 Governance for Technology Transfer and Commercialization



3.3.4. Funding for Technology Transfer and Commercialization

The Korean government's annual budget is around US\$450 billion in 20204. The Central Government's total R&D budget is around US\$22 billion. The government budget for technology transfer and commercialization is around 2~3% of US\$22 billion. Investment in R&D and technology commercialization happens in the form of program and project funding by 17 central government departments and is matched by local government, universities, research labs, and industries.

According to the Korea Venture Capital Association, in 2023, the number of venture capital is 288, and the number of venture capital funds is 2,240. Amounts of venture capital funds are around US\$50 billion.

3.3.5. Management of Technology Transfer and Commercialization

According to the 2023 Report about technology transfer and commercialization in universities and research labs, there are 142 public research organizations and 139 universities contributing to technology transfer and commercialization. The number of intellectual properties was 38,000, and technology transfer cases from public research organizations and universities to industry were 12,057. Technology transfer income was around US\$200 million and completed commercialization cases among technology transfer were 19.4%. The number of new spinoff companies was 486.

MSS operates the “TIPs (Tech Incubating for Startups)” program as following process: i) a government agency selects 60 accelerators as the operation agency of the TIPs fund; ii) accelerators select 1,234 startups and invest around US\$150,000 each; iii) the government agency gives matching funds of around US\$350,000 each. Recently TIPs program has evolved from US\$70,000 pre-TIPs, through US\$70,000 to 350,000 TIPs to US\$350,000 Post-TIPs.

MSS also has a supporting program for foreign startups, which was launched in 2024. 10 startups selected among 102 candidates, gave US\$50,000 each and various nurturing projects together, including visa, office places, etc.

COMPA, supported by MSIT, manages technology commercialization programs in the catalyzing commercialization of R&D, finding multi-use applications opportunities of seed technology, a company-demand-based technology finding program, expanding university open-lab with regional companies, Lab to Market startup program in universities and PROs, and many others.

KIAT, funded by MOTIE, supports scale-up commercialization programs such as commercialization support for companies-PROs or universities consortium, US\$700,000 for two years for business model development and R&D commercialization, priority for VC investment companies, and a total of around 20 cases selected a year.

MSIT and KIF operate a lot of programs to support technology transfer and commercialization in Innopolis and Innatown based on the “Special Act on Promotion of Special R&D Zone”, focusing on strategic technologies, regionally specialized startups, scale-up stages, spinoffs from GRIs' technology investment as equity, and funding opportunities with regional VCs, and so on. GRIs' company supporting program based on the special law is crucial. The government gives GRIs' company national tax reduction (100% for three years and 50% for two years), regional tax reduction (100% for seven

years and 50% for three years), supporting valuation and global marketing, networking, consulting, and priority for all supporting programs in KIF. There are three types of GRIs' companies: joint spinoffs with private experts or companies, transition from a private company, and new creation with private investors. The number of GRIs' companies was only one in 2006; as of 2023, more than 1,500 GRIs companies.

Innopolis also supports programs for advanced technology companies. They get the same tax benefit as GRI companies, a certificate as an advanced technology product, field investigation by 'credit guaranty funding', and so on. There were 235 ATC in 2024. There are other programs for global expansion located in Innopolis, such as global acceleration, global marketing, global cooperation & networking, and global technology commercialization activities.

There are also special programs, so-called "Campus Innovation Park", supported by MOE, MSS, and local governments, and located and operated by selected local universities. The program includes building Innovation Park inside the university, supporting regional startups, and an ecosystem managed by the university selected. There are startup offices, accommodation, support programs, and facilities. 9 campus innovation parks have been selected since 2019 through written evaluation, site visit evaluation, comprehensive evaluation, and final selection with 16 evaluation indices in 3 areas, giving US\$35 million to US\$500 million funding each.

19 TPs and RCCEIs play vital roles and functions to catalyze technology transfer and commercialization for regional SMEs in each region, based on the "Act on Special cases Concerning Support for Technoparks" since 1998. TPs and RCCEIs are dedicated to regional industry and economies, transforming scientific knowledge into real-world applications. These entities form the backbone of regional innovation ecosystems, fostering environments where research labs, universities, and industry can collaborate effectively. By offering a combination of physical infrastructure, institutional support, and access to networks, TPs and RCCEIs act as powerful catalysts for technology transfer, commercialization, and the growth of new startups.

One of the core functions of TPs and RCCEIs is to provide advanced infrastructure, various places, and funds for research, development, and innovation. They offer supporting laboratories, fabrication facilities, co-working spaces, and testing environments with around 60 funding programs. This reduces the cost and complexity for researchers and entrepreneurs to prototype and validate their ideas. Startups, in particular, benefit from having access to high-end equipment that would otherwise be financially out of reach. These facilities are often located near universities or research institutions, creating a close physical and intellectual proximity that encourages collaboration and the exchange of knowledge.

In addition to infrastructure, TPs and RCCEIs serve as critical bridges between academia, public research labs, and industry. They facilitate the transfer of technology

from universities to the marketplace through structured mechanisms such as licensing agreements, research partnerships, and the creation of spin-off companies. Technology Transfer Offices (TTOs) in universities and research labs within these parks often work directly with researchers to identify commercially viable inventions, secure intellectual property rights, and negotiate terms with private sector partners. This accelerates the transformation of academic and public research into innovative products and services that address real market needs.

Another essential function of TPs and RCCEIs is the support of startup creation through incubators and accelerators. These programs offer a range of services, including mentorship, business development training, pitch preparation, and access to funding opportunities. Startups are guided through early-stage development processes, such as defining a Minimum Viable Product (MVP), validating customer needs, and refining their business models. Accelerators often bring in seasoned entrepreneurs, investors, and industry experts to mentor new ventures, significantly improving their chances of success.

Networking and ecosystem development are additional ways TPs and RCCEIs catalyze innovation. By co-locating various stakeholders-startups, corporate partners, academic institutions, investors, and government agencies-TPs and RCCEIs create dense networks that enable frequent interaction and collaboration. This ecosystem approach increases the flow of knowledge and resources, encourages cross-disciplinary partnerships, and fosters a culture of innovation. Events such as hackathons, startup competitions, innovation festivals, and demo days further strengthen these connections and provide platforms for visibility and collaboration.

Government policies and public funding also play a significant role in enhancing the impact of TPs and RCCEIs. Many TPs and RCCEIs receive support through national innovation strategies, grants designed to stimulate research, entrepreneurship, and innovation. Such policy frameworks reduce the financial risk for startups and encourage private investment in innovation. Public institutions also act as early adopters or testing grounds for technologies emerging from these ecosystems, thus facilitating commercialization.

Furthermore, RCCEIs focused on the creative economy add an important dimension to the innovation landscape. RCCEIs blend technology, art, culture, and business to foster new forms of innovation. They promote design thinking, user-centered development, and creative problem-solving, all of which are essential in producing innovative solutions that resonate with consumers. TPs and RCCEIs often support industries such as digital media, gaming, virtual and augmented reality, and AI-based education technology. By nurturing interdisciplinary collaboration, they help broaden the scope of innovation beyond traditional technology sectors.

In summary, TPs and RCCEIs are crucial enablers of technology-driven growth. By

offering infrastructure, facilitating university-research labs-industry collaboration, supporting startups, and nurturing vibrant innovation ecosystems, they catalyze the movement of knowledge from lab to market. They not only enhance the commercial impact of research but also help build competitive, resilient economies equipped for the challenges of Korean society and economy.

Another important management tool is to establish and support technology licensing offices in universities and public research institutes, which are funded by the MOE & MOTIE. There are 800 experts and 250 supporting staff in 297 public research institutes & universities in 2024. They have received around US\$300,000 grants to chosen TLOs for employment, technology finding, marketing & networks, etc. NST also operates co-TLOs programs collaborating with each TLO in 23 GRIs and further Korea Science Technology Holdings (KST), which was established by nearly all GRIs investment.

There are also incentives for researchers and professors to catalyze technology transfer and commercialization, and startups. 50% of the licensing fee goes to researchers and invention contributors, 10% to contributors like TLOs, based on the Act for Catalyzing Technology Transfer and Commercialization. More than 50% go to professors in national universities by “Regulation on Reward to Duty Invention in National Officers”. Professors and researchers allow additional jobs as startup CEO and executives. GRIs give researchers three years of paid concurrent positions and next another three years of unpaid leave.

3.3.6. UK Cases

The United Kingdom offers a robust ecosystem to support technology transfer, commercialization, and startup development through a combination of policies, funding programs, infrastructure, and organizations. Here's an overview of the key components.

The UK Innovation Strategy outlines the government's plan to make the UK a global hub for innovation by 2035 as its main objective. It emphasizes the importance of supporting businesses to scale up and commercialize new ideas, particularly in areas like AI, clean energy, and biotechnology. The science and technology framework in the UK focuses on strengthening the UK's science and technology capabilities, including initiatives to boost venture capital investment and support for high-growth technology companies as crucial strategies.

As the UK's national innovation agency, Innovate UK provides funding and support to businesses developing new products and services. It offers various grants and loans to help companies at different stages of growth, including technology transfer, demonstration, commercialization, startup creation, and global technology business collaboration.

Managed by Research England, the Connecting Capability Fund (CCF) supports collaboration between universities and businesses to commercialize research. It funds projects that enhance knowledge exchange and foster partnerships as well.

Established by Innovate UK, Catapult Centers are a network of technology and innovation centers that bridge the gap between research and commercialization. They provide access to expertise, equipment, and collaborative opportunities in areas like digital technology, high-value manufacturing, and cell and gene therapy.

A collaboration between five universities in Southern England, SETsquared Partnership is a business incubation network that supports startups and promotes university-to-business technology transfer. It has been recognized as one of the world's leading university business incubators.

An initiative by Innovate UK Business Connect, Start-up Connect helps innovators turn ideas into reality by providing funding, business networks, growth advice, and access to world-class facilities and talent.

These policies, funding programs, infrastructure, and organizations collectively create a supportive environment for technology transfer, commercialization, and startup growth in the UK. By leveraging these resources, innovators and entrepreneurs can effectively bring their ideas to market and contribute to the UK's position as a global leader in innovation.

The United Kingdom has developed a well-integrated ecosystem of science parks, policies, funding programs, and supporting organizations that collectively foster technology transfer, commercialization, and startup development. These elements work in synergy to translate academic research into marketable innovations and to build high-growth technology companies.

Cambridge Science Park is owned by Trinity College, University of Cambridge, and hosts over 100 high-tech companies in biotech, AI, and ICT. The CSP, established in 1970, stands as a premier hub for innovation and entrepreneurship in the UK. It plays a pivotal role in facilitating technology transfer, commercialization, and startup development through a synergistic blend of policy support, funding programs, infrastructure, and collaborative organizations. The government envisions the Oxford-Cambridge Arc as “Europe's Silicon Valley,” aiming to enhance economic growth by fostering scientific and technological advancements in the region. This includes investments in infrastructure, housing, and research facilities to support innovation clusters like CSP.

CSP houses the Bio-Innovation Centre, providing state-of-the-art laboratory spaces and support services for biotech startups. Located within CSP, The Bradfield Centre offers co-working spaces, meeting rooms, and event facilities designed to support tech startups and scale-ups. As a central hub within CSP, the Trinity Centre provides conferencing facilities, a restaurant, and meeting rooms, fostering collaboration among resident companies. The commercialization arm of the University of Cambridge, Cambridge Enterprise, supports academics in licensing technologies, creating spinouts, and securing funding. Cambridge

Innovation Capital invests in high-growth technology companies emerging from the University of Cambridge and the broader Cambridge ecosystem, providing both capital and strategic support. Cambridge Judge Business School Entrepreneurship Centre offers programs and resources to support entrepreneurs at various stages, from idea validation to scaling businesses, contributing to the vibrant startup ecosystem at CSP.

Collectively, these policies, funding mechanisms, infrastructure, and support organizations create a robust environment at Cambridge Science Park, enabling the seamless transition of research into market-ready innovations and fostering the growth of startups.

Manchester Science Park (MSP), part of the Bruntwood SciTech network, is a leading innovation hub in the UK, fostering technology transfer, commercialization, and startup growth. Situated within the Oxford Road Corridor—one of Europe's most concentrated innovation districts—MSP provides a dynamic environment for businesses in sectors like digital health, advanced materials, and Industry 4.0 technologies.

Completed in 2022, the £21 million Base building offers 91,000 sq ft of workspace designed for companies in low-carbon technologies, light manufacturing, and digital sectors. It features flexible office spaces, a dedicated makerspace workshop, and is built to operate at net-zero carbon across common areas. The facility aims to support over 1,000 high-value jobs and upskill more than 5,000 residents over five years. As MSP's flagship building, the Bright Building serves as a central hub for collaboration and events. It provides coworking spaces, meeting rooms, and hosts various networking events to foster innovation and community engagement. Adjacent to MSP, the Citylabs campus focuses on health innovation. Developed in partnership with Manchester University NHS Foundation Trust and the University of Manchester, it offers state-of-the-art facilities for biomedical and health tech companies.

MSP benefits from its inclusion in the Greater Manchester Investment Zone, which provides £160 million in public funding to attract businesses and stimulate economic growth in the region. The University of Manchester Innovation Factory's dedicated technology transfer office assists in commercializing research from the University of Manchester. It supports the creation of spinouts and licenses technologies, facilitating collaboration between academia and industry. An academic health science Center, Health Innovation Manchester, accelerates the adoption of healthcare innovations. It collaborates with MSP to integrate new technologies into the NHS and improve patient outcomes. The relocation of UK Biobank to MSP, supported by significant UK Research and Innovation (UKRI) funding, underscores the park's capacity to host large-scale, high-impact research facilities. In 2021, Qiagen established its European Centre of Excellence for Precision Medicine at Citylabs 2.0, enhancing MSP's reputation in the field of genomics and personalized healthcare.

Manchester Science Park exemplifies a comprehensive approach to fostering

innovation, combining advanced infrastructure, substantial funding opportunities, and robust support networks to catalyze technology transfer and startup success.

3.4. Recommendations to Activate Technology Transfer and Startups in Peru STPs

First, it is necessary to set clearly the main objectives for catalyzing technology transfer and commercialization and startups not only at the CONCYTEC level but also at STPs level. Objectives are specific, measurable actions or targets that help guide strategy and assess progress. In the context of Science and Technology Parks (STPs), objectives serve to:

- Translate vision into action.
- Focus efforts on key outcomes.
- Align stakeholders (universities, research labs, firms, government, venture capitals).
- Measure impact in areas like innovation, commercialization, and startup creation.

There could be some examples as objectives to catalyze technology transfer and startup creation as follows: increasing licensing agreements or patents by 30% over three years; supporting the creation of 50 new startups by 2027; launching 10 co-funded R&D projects annually; achieving US\$5 million in revenue from commercialized technologies by 2026; and achieving 80% occupancy in startup incubator facilities.

To build and implement objectives, processes are also important. There is a step-by-step guide to designing effective objectives for technology transfer and startups as follows:

- i) Start with a strategic vision defining the overarching mission of STPs.
- ii) Conduct needs & ecosystem assessment with questions such as what is missing or underperforming? What industries or technologies are most relevant to? What are the crucial gaps in talent, IP transfer mechanisms, funding, and entrepreneurial support?
- iii) Set SMART Objectives ensuring specific (clearly defined outcomes), Measurable (trackable metrics), Achievable (realistic with current resources), Relevant (aligned with mission and context), and Time-bound (deadline-driven).
- iv) Align objectives across stakeholders, coordinating with research output and licensing potential in universities, talent needs and collaboration potential in industry, and funding schemes and regulatory support by the government.
- v) Embed objectives into operational plans, such as breaking down goals into annual targets, assigning responsibility (e.g., TTO, incubator manager), monitoring with

- KPIs like the number of spinouts, patent applications, and VC investment secured.
- vi) Incorporate feedback and adapt by holding regular reviews with startups, researchers, and investors, and adjust objectives as the ecosystem evolves.

Referring to these points, CONCYTEC needs to match the vision and goals of national research and innovation plans and the objectives of STPs to catalyze technology transfer and startup creation. It would be better to set up national plans to activate technology transfer, commercialization, and startups, including STPs' objectives. Every STP should also build clear objectives matching government plans to catalyze technology transfer and startups for regional industries and economic development, collaborating with CONCYTEC.

Second, more systematic strategies to achieve those objectives should be established, including the annual rolling system. Strategies to achieve the objectives of technology transfer and startups can be different for every goal, however, more appropriate strategies are needed to align with each STP environment.

Strategy is a long-term, high-level plan that defines how you will achieve your objectives. In the context of a Science and Technology Park (STP), strategy outlines the roadmap for fostering technology transfer, commercialization, and startup creation, while aligning with the park's regional, national, or sectoral innovation goals. There is a structured approach as follows:

- i) Define and find the vision and mission. A vision is a long-term aspiration, and a mission is a role the STP plays in realizing that vision.
- ii) Analyze the STP ecosystem using SWOT analysis, Stakeholder mapping, and Gap analysis.
- iii) Set strategic priorities aligned with objectives.
- iv) Develop core strategic pillars in STP such as innovation infrastructure, technology transfer and IP management, startup support and entrepreneurship, partnership and ecosystem building, and so on.
- v) Translate strategy into action plans or actionable projects. National plans or STP plans could have multiple objectives, and each objective could have a strategy to achieve each goal.

Third, governance of technology transfer and startups should be set to implement those strategies with accountability, transparency, and effective decision-making. Governance of STP refers to the system of structures, roles, processes, and relationships that direct and control how the park is managed to fulfill its mission—especially in technology transfer, commercialization, and startup development.

Good governance ensures strategic alignment with national/regional innovation priorities. transparent and effective decision-making, stakeholder engagement (e.g.,

government, universities, industry), and clear accountability for outcomes.

There is a practical framework with essential components and processes as follows:

- i) Establishing a Multi-Stakeholder Governing Board including government agencies, academic institutions, industry leaders and anchor tenants, venture capital and startup experts, and civil society or regional development bodies.
- ii) Appoint a professional management team and positions such as director, manager, officer, coordinator, etc.
- iii) Create specialized operational units such as the TTO unit, incubation office, collaboration hub, and monitoring team.
- iv) Define clear governance documents.
- v) Implement participatory decision-making.

There could be some principles for effective STP governance, like autonomy, stakeholder-driven, performance-based, transparent and accountable, and flexible and adaptable.

A bigger role of CONCYTEC will be needed in the governance and appropriate governance of each STP, and integrated governance for a wider range of regional STPs should be developed. There are several areas where its governance model could be strengthened to improve effectiveness, sustainability, and impact. There is no clear legal framework for catalyzing technology transfer, startups, and commercialization, both in Peru and regional STPs. Peru needs to set a new legal framework led by CONCYTEC to overcome ambiguities in the legal status and operational scope of STPs and inconsistencies in implementation. Korea's Technology Transfer and Commercialization Act could be a good reference. The regulatory framework and guide for selecting and managing STPs by CONCYTEC also needed to be modified to set clear direction and priorities of technology transfer and startups in STPs. It would be better for CONCYTEC to develop a specific law or regulation that clearly defines the governance structure, incentives, and responsibilities for STPs to activate and prioritize technology transfer and startup involvement.

Another point is that current governance may be overly centralized in Lima, limiting regional innovation potential. Decentralized governance models with regional councils or partnerships both in a region and wider regions together tailored to local strengths and needs should be needed to develop. To improve regional stakeholder involvement, such as universities, industry, and civil society, in central governance, institutionalization of multi-stakeholder boards or regional division in CONCYTEC with real decision-making power is required.

Fourth, improving financing and funding systems specifically for technology transfer and startups within Peru's STPs is essential to turning research into commercial impact. Peru currently faces barriers like weak startup pipelines, low private investment, and

limited funding mechanisms for tech transfer.

It is needed to create a specialized technology transfer and startup fund, administered through CONCYTEC or in partnership with ProInnovate. Funding should be for IP protection, prototyping, proof of concept, market validation, and early-stage startup incubation.

There is also limited collaboration and investment from the industry. Despite weak technology-based companies, much stronger and wider range of incentives for private companies to invest in and co-govern STPs, such as through tax breaks, matching funds, or equity stakes. More and more communications and networks between universities and industry are being established to catalyze such kinds of investments and public-private partnership enhancement.

To put IP into the market, a wide range of implementation Proof-of-Concept (PoC) grant programs should be developed to bridge the gap between academic research and market-ready products, and to validate technology supported by researchers' mentorship and industry feedback.

Startups or spin-offs need early-stage funding with the option to convert into equity or be repayable if successful. Any kind of vouchers for startups and SMEs could be helpful to access services from STPS, such as labs, IP offices, testing facilities, and to encourage collaboration and knowledge transfer.

Co-funding between universities and private firms for co-R&D, joint startups, or spin-offs creation could be another good option, and government or public funds could be matched as incentives.

It is also necessary to develop innovation angels and venture capital incentives to create angel investment networks focused on STP startups, such as tax deductions on investments, Investment matching programs, and training for angel investors on deep technology evaluation.

There are more innovation acceleration programs to enlarge accelerators in STPS that combine equity-free seed grants, intensive mentorship, and demo days for follow-on venture capital exposure. Low-interest soft loan and micro-equity instruments in which the government takes a small equity stake in startups in exchange for early support could be offered to private startup firms that use university technologies in STPS.

Another important thing is to access international startup and technology transfer grants by applying for international funds such as Horizon Europe and global VCs. STPs could provide grant writing, proposal support, and global network opportunities.

Fifth, efficient and effective management of STPs to enhance technology transfer and startups is very important. There are various management schemes, such as developing programs for technology transfer, nurturing a technology licensing office, attractive incentives for inventors and entrepreneurs, and a monitoring and evaluation system etc.

It is necessary to activate incubation and acceleration programs for designing sector-

specific cohorts, such as biotechnology, agrotechnology, and mining technology, with tailored mentorship and business development support. University spin-off programs are also crucial to commercialize research results of local universities and support entrepreneurial activities and culture by students and professors. Invitation of large domestic and global companies to collaborate with local researchers and startups in STPs and shift them into STPs. Further co-R&D and demonstration projects through collaboration between universities and companies could be introduced for more impactful technology transfer.

Korea has various STPs, such as research parks focused more on R&D, Innopolis and Innotowns to support the commercialization of public research results and startup creation, technology parks oriented to support companies' growth, and industrial parks for physical clustering of companies. All kinds of STPs have a wide range of supporting programs for technology transfer, startups, spin-offs, and demonstrations for product and service development. Peru STPs are still early stage, and some programs in different STPs environments with a weak technology base industry. That is why more and more programs to support activities of technology transfer and startups should be introduced.

Another important management instrument in STPs is to set and nurture technology licensing offices (TLOs) in universities to enhance IP management, technology transfer, startups, and spin-offs. A TLO plays a critical role in universities, especially those engaged in research and innovation. Its primary mission is to manage the commercialization of Intellectual Property (IP) developed within the university. TLO needs IP professionals to evaluate inventions disclosed by researchers and determine whether they are novel and patentable. They oversee the patent application process and ensure proper legal protection of university-generated IP with ownership tracking, such as maintaining records of invention ownership, including faculty, student, and third-party contributions.

TLO facilitates the transfer of academic innovations to the private sector via licensing agreements and supports faculty and student entrepreneurs in forming startups to commercialize university inventions. TLO also negotiates licensing deals that return royalties and fees to the university, departments, and inventors. Building relationships with industry partners interested in university research for R&D or commercialization purposes is normally in the role of TLO.

There are some crucial issues in TLOs, such as recruiting and training staff in TLOs, developing a digital IP marketplace, including an online portal, and bundling IPs technology integration and convergence to increase commercial appeal, and global expansion of companies in STPs. In Peru, STPs, university is usually in charge of the management of STPs. TLO function is very important to the STPs' management for technology transfer and startups. In the early stage, recruiting and training staff is crucial to play a role well. IP management system, technology transfer process, incentives to professors and inventors, and communication protocol with professors and industry

should be managed well.

TLOs in Korea have nearly twenty years of experience contributing to technology transfer and spin-off creation in universities and public research organizations with central government funding and management guidance. As public funds, Korea Science and Technology holds from the collaboration and investment of 17 government-funded research organizations. Peru STPs are relatively small and led by only one or a few local universities, with probably TLO setting.

TLO alone is not enough to play a role in technology transfer and startup creation. University holds, related accelerators, and venture capital are complementary partners with TLO. Accelerators help early-stage ventures (often university spin-offs) move from idea or prototype to a market-ready product. They bridge the “valley of death”—the risky phase between basic research and commercial viability, and provide coaching in business planning, market validation, legal issues, pitching, and team building, collaborating with TLO. Accelerators offer a structured, time-limited program (typically 3~6 months) to rapidly develop the startup, connecting founders to mentors, industry experts, and investors. Many accelerators offer initial capital in exchange for equity, which is crucial for spin-offs lacking early revenue. Accelerators' Participation can enhance the legitimacy of a university spin-off, increasing its appeal to investors.

VC firms provide the substantial capital required to scale a startup after initial proof-of-concept and market entry. They offer more than money—VCs often take board seats and guide companies on strategy, operations, and market fit. VCs help startups bring university-developed technologies to larger markets, often globally.

Technology transfer and startups are crucial objectives of STPS. IP creation through R&D, TLOs development, support infrastructure, and investment ecosystem are essential for the evolution of STPs. CONCYTEC and universities that manage STPs should develop such environments to catalyze technology transfer and startups developing.

An incentive scheme and entrepreneurial evaluation for professors are also needed to activate technology transfer and startups. More licensing fees and additional paid concurrent positions of professors are important to motivate good IP creation and technology transfer to the market. Evaluation of a professor's performance in an instrument for professors to move to more technology transfer.

Building an evaluation index and process for technology transfer activities and startups is implemented on well annual or multiple-year basis. Below given table is an example of the evaluation index of technology transfer in STPs.

Table 3-1 Evaluation Index of Technology Transfer in STPs

Index Group	Specific index
Objectives	• How many patents and how many TTs per year or step by step goals • Rate of TTs among R&D projects • Success rate of commercialization among TTs • How many startups and tech-base SMES in STPs and regions including foreign startups and job creation
Strategies	• How to set strategies and monitor implementation • How to achieve goals from strategies implementation
Governance	• How much governance has been effective for TT • How governance has been improved from implementation feedbacks
Funding	• How much funding has been achieved as planned including global funds • How funding has been allocated effectively
Management	• How many support programs have been operated and successful • How and what kinds of cooperation between universities and companies • How much TOs capability has been improved including resources • How and what kinds of networks and interactions have been managed

In summary, the crucial mission and objectives of STPs are to activate technology transfer and startup development. The regime approach, having five elements such as objectives, strategies, governance, funding, and management, should be helpful for developing STPs.

To strengthen Peru's STPs ecosystem and drive regional economic development, it is essential to activate robust mechanisms for technology transfer and startup creation within the STPs. This report outlines strategic recommendations aimed at fostering a regime of technology transfer and startups in STPs where academic research, technological innovation, and entrepreneurship can thrive.

Key actions include the establishment and reinforcement of technology licensing offices within universities to manage intellectual property and facilitate commercialization; the development of accelerator programs to support early-stage ventures; and the promotion of venture capital investment to fund scalable innovations. These components, supported by clear regime frameworks, public-private partnerships, and training programs, are critical to translating research outcomes into market-ready solutions.

By integrating universities, research centers, industry stakeholders, and investors, Peru's STPs can become engines of regional innovation, capable of producing high-impact startups and technologies that contribute to national competitiveness and sustainable growth.

Laws and Regulations for the Science and Technology Parks in Peru and South Korea

4.1. Introduction

As discussed in the previous chapters, the Peruvian government has tried hard to set up numerous STPs at different levels, i.e., national, regional, local, and university levels, since 2004. In this chapter, we are going to review the laws and regulations in establishing STPs' work both in Peru and South Korea. South Korea has put tremendous efforts into building up its S&T capacities through many different policy tools, one of which is STP-related policies. The South Korean government had experienced many trials and errors throughout decades-long experiences in building up and utilizing STPs as a main technological innovation for the country. This chapter will review major aspects of STP-related laws and regulations in Korea to draw lessons for Peru.

The first and pathbreaking law in promoting STPs in Peru was the Framework Law for Science, Technology, and Technological Innovation of 2004, issued by the Peruvian National Congress. It basically stated that the National Council for Science, Technology, and Innovation (CONCYTEC) has the function to promote STPs in cooperation with regional and local governments, universities, as well as private companies.

According to the report prepared by the local consultant for this project, there have been a variety of initiatives with both a general scope and a particular focus by the Peruvian government regarding STPs. The efforts of the so-called 'general scope' are a series of laws and regulations that recognize the role of CONCYTEC as the governing body of the national science, technology, and innovation (STI) system, and according to which CONCYTEC has been responsible for promoting STPs and establishing guidelines about the process to set up STPs. Measures with 'particular focus' refer to initiatives fostering the specific STPs sponsored mainly by universities, to which the Peruvian government does not yet have a national comprehensive strategy to promote them. Recently, the Peruvian National Congress initiated the law on the National System of Science,

Technology, and Innovation (SINACTI), which organizes the Peruvian STI system at three different levels depending upon the decision-making authority. The following section will discuss these three levels in greater detail.

4.2. The Peruvian STI (Science & Technology Innovation) Systems⁵

According to SINACTI, the Peruvian STI system is organized in three levels of decision-making:

- i. The policy and strategic level consist of the National Congress, the President of the Peruvian Republic, CONCYTEC as the governing body of the Peruvian STI System, and the most related ministries, such as the Ministry of Production, the Ministry of Agriculture, and the Ministry of Education. It is the top-level policy-making and administrative body regarding the S&T innovation in Peru. According to the law on SINACTI, CONCYTEC has been recognized as a central promoting agency for STPs.⁶ Thus, CONCYTEC, for example, can declare specific STP initiatives of national interest; however, the law did not establish any kind of incentive schemes to foster STPs. Moreover, the Congress has also given the University Law, which does not mention STPs at all, but recognizes that universities undertake activities relating to research, knowledge diffusion, application of research results, and technology transfer by integrating the university with firms and the public sector (the triple helix theory as the underlying idea).

⁵ This part has been summarized from the report provided by the local consultant.

⁶ Chapter IV of the Law describes almost everything about CONCYTEC quite comprehensively. Article 14.1, for example, says CONCYTEC is a “specialized technical agency, attached to the Presidency of the Council of Ministers; it has legal status under domestic public law and scientific, administrative, economic, and financial autonomy. It is a budgetary body.” Article 14.2 says “The purpose of CONCYTEC is to regulate, direct, guide, foster, coordinate, supervise and evaluate the actions of the State in the field of science, technology and innovation and to promote and foster its development through the articulated and complementary action among the members of the National System of Science, Technology and Innovation (SINACTI).” Article 15 has identified 20 functions of CONCYTEC in detail, along with organizational details (Article 16), Board of Directors (Article 17), and functions of the Board of Directors (Article 18). Especially, financial resources are identified in great detail (Article 20), along with the civil service regime (Article 21), international cooperation (Article 22), and inter-institutional relations (Article 23). But according to the report by the local consultant, the actual empowerment of CONCYTEC as the headquarters of S&T policies is not fully recognized, meaning these articles are mostly ornaments rather than legally binding rules.

According to the law on SINACTI, CONCYTEC had issued Technical Guidelines to create and operate STPs, specifying the stages of STP development and the processes sponsoring entities should follow before CONCYTEC. A key weakness is that these guidelines are not compulsory, and they do not include any kind of incentive scheme for STPs.

At the subnational level, regional and local authorities have certain functions regarding, for example, the support to SMEs and the promotion of productivity and competitiveness of some industries. Regional governments can promote research, technology transfer, and the provision of technological services. Meanwhile, local authorities have functions on land use and taxes on onerous transfer of real estate and property rights.

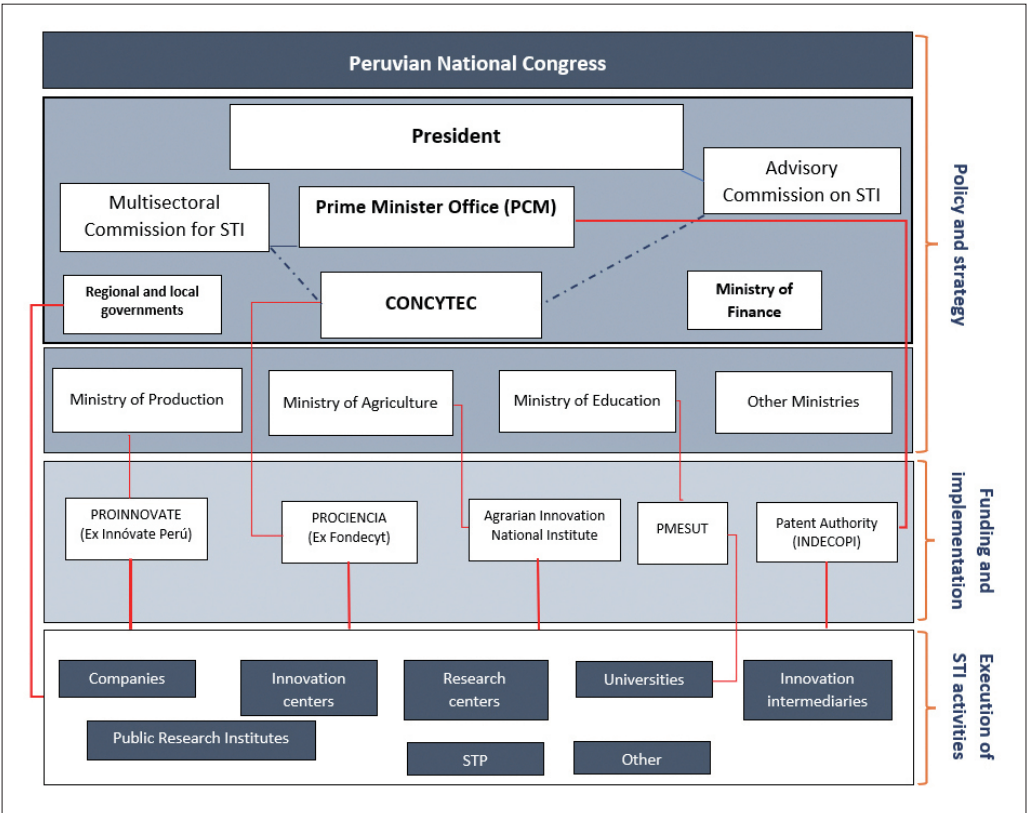
- ii. The policy implementation level includes the main funding agencies for STI. PROCENCIA is an agency that reports to CONCYTEC hierarchically and focuses its interventions on the promotion of science and technology, with limited action on innovation and entrepreneurship. PROINNOVATE is the innovation agency that reports to the Ministry of Production and focuses on the promotion of innovation in the private sector and entrepreneurship. Even though these two agencies have not funded STP projects yet, they have promoted territorial initiatives regarding technology and innovation. For instance, PROINNOVATE has funded cluster development initiatives and projects aimed at strengthening regional innovation systems. PROCENCIA, in turn, has promoted initiatives to foster linkages to accelerate innovation in certain value chains, with a territorial focus.

Finally, PEMSUT is an agency that reports to the Ministry of Education, and its interventions are focused on funding universities' initiatives and actions aimed at strengthening their management and research capacities. Among the most related projects supported by PEMSUT is the funding to build the infrastructure of the Technology and Innovation Park for Agriculture sponsored by the National Agrarian University La Molina (UNALM). This agency has also supported other universities in preparing their master plans for STPs; this is the case for the STP of the National University of San Marcos (UNMSM).

- iii. The execution level includes a range of actors performing STI activities, including STPs, universities, firms, innovation intermediaries, and so forth. At this level, there has been the most active promotion of STP, for many universities have pursued the creation of STPs, at least in the legal domain, through laws given by the Congress recognizing that these STPs are of national interest. Seventeen out of 21 STPs are sponsored by universities. At the time, only six STP initiatives, all sponsored by universities, made some progress in their development.

The Peruvian STI system, as such, can be summarized as the following Figure 4-1.

Figure 4-1 Peruvian STI System from a Structure Perspective



Source Adapted from Corilloclla (2021), recited from the report of the local consultant.

4.2.1. The Chronological Overview of STP Promotion Laws in Peru

It was in 2004 when STP was first mentioned in the legal system in Peru. The Framework Law for Science, Technology and Technological Innovation, issued by the Peruvian National Congress, stated that the National Council for Science, Technology and Innovation (CONCYTEC in its Spanish acronym) promotes technology parks in liaison with regional governments, universities, and private companies. Unfortunately, this law did not specify any mechanism to promote them.

CONCYTEC was named as the central agency responsible for promoting not only STPs, but also STIs in general. In fact, CONCYTEC is recognized as the technical and normative authority at the national level in the STI domain. It reports hierarchically to the Prime Minister and possesses scientific, administrative, and financial autonomy.

Up to 2023, when a specific law regarding the availability of land for STP was issued by the Congress, there have been fragmented attempts to improve the conditions and promotion mechanisms for STP in the country. Table 4-1 summarizes the chronological progress in the promotion of STP, which has happened in two strands: i) general legal measures to promote them with no mention to specific initiatives; and ii) specific measures relating to the STP.

Table 4-1 Chronological Progress in the Promotion of STP

Law or Regulation	Description regarding STP promotion	General Scope	Particular Scope
Framework Law for Science, Technology and Technological Innovation (Repealed in 2021)	Recognized that CONCYTEC, as the governing agency of the Peruvian STI system, promotes technology parks in liaison with regional governments, universities and private companies.	×	
Law N° 28303 ⁷ (7/23/2004)	No specific promotion measures or direction of promotion were included. Under this law, no STP initiative progressed despite some attempts since 2016, as described later on.		
National Strategic Plan for STI for Competitiveness and Human Development 2006-2021	It sets a strategy to promote institutional mechanisms for technology transfer and adaptation and innovation for business competitiveness.	×	
Decree N° 001-2006-ED ⁸ (1/22/2006)	As an action line within this strategy the promotion of territorial and virtual technology parks is recognized.		
Decree of the organization and functions of CONCYTEC	It reinforces the roles of CONCYTEC regarding the promotion of STP, stating that it promotes mechanisms for the creation of Technology Parks.	×	
Decree N° 026-2014-PCM ⁹ (4/5/2014)	However, this regulation does not treat in depth the measures that CONCYTEC has at hand to make promotion effective.		

⁷ https://transparencia.concytec.gob.pe/images/stories/ley_28303_ciencia_tecnologia.pdf

⁸ <https://www.gob.pe/institucion/minedu/normas-legales/118123-001-2006-ed>

⁹ https://transparencia.concytec.gob.pe/images/transparencia/2015/planeamiento/ROF_CONCYTEC_2014_2.pdf

Law or Regulation	Description regarding STP promotion	General Scope	Particular Scope
Declaration of national interest the development of two projects of STP Decree N° 053-2016-PCM (7/24/2016)	This decree declares that two STP Park are of national interest: - The Project named “Science, Technology and Social Park” promoted by the Pontific Catholic University of Peru (PUCP in its Spanish acronym) - The Project named “Science and Technology Park of the Scientific, Ecological and Academic Center,” led by the Cayetano Heredia Peruvian University (UPCH in its Spanish acronym). Both universities are private organizations and are based in Lima. Moreover, the declaration of national interest allowed sponsored universities to acquire public lands to develop their STP projects under certain conditions. However, they could not attract the necessary investment to start their projects and faced several administrative challenges that forced them to redefine their expectations. This could have happened because the declaration of interest only contains an open clause about the need for different levels of the government to set incentives for STP, which did not materialize.		x
Technical Guidelines for the setup of Science and Technology Parks President Resolution of CONCYTEC N° 112-2016-CONCYTEC-P ¹⁰ (8/17/2016)	These guidelines give orientation to create, develop and operate STP in the national territory. It establishes that STP initiatives had to be approved by CONCYTEC, as the leading agency for STI in the country. Note. These guidelines were replaced in 2019.	x	
Modification of certain articles of the Law N° 28303 Law N° 30806 ¹¹ (7/5/2018)	It changes Article 11 to specify that one of the functions of CONCYTEC is to set standards for and promote the creation and implementation of Science and Technology Parks alongside technology corridors.	x	

¹⁰ <https://www.gob.pe/institucion/concytec/normas-legales/672261-112-2016-concytec-p>

¹¹ <https://busquedas.elperuano.pe/dispositivo/NL/1666491-1>

Law or Regulation	Description regarding STP promotion	General Scope	Particular Scope
Modification of certain articles of the Law N° 28303 Law N° 30806 (7/5/2018)	Moreover, it includes a definition of STP highlighting that they are geographical spaces linked to universities and other public and private organizations that promote innovation based on scientific and technological knowledge, aiming at contributing to business productivity and competitiveness. They bring together the demand for and supply of scientific and technological services, incentivize entrepreneurship through incubation services, and facilitate the use of premises.		
Declaration of public need the creation and implementation of the STP of the Center Law N° 30964 ¹² (6/18/2019)	It declares the STP of the Center, initiative of the National University of the Center of Peru (UNCP), as a project of public need to generate technology-based companies as a means for employment and add value to natural resources and products of the Junín region (area of influences of the university)		×
New Technical Guidelines for Science and Technology Parks in Peru President Resolution of CONCYTEC N° 216-2019-CONCYTEC-P ¹³ (11/26/2019)	These guidelines give orientation to create and develop STP that can respond to scientific and technological needs of industry and have a positive impact on the national competitiveness and sustainable development. It defines the process of support, revision and approval of STP parks by CONCYTEC.	×	
Declaration of public need and national interest the creation and implementation of the STP of Arequipa Law N° 31067 ¹⁴ (11/14/2020)	Besides declaring the STP of Arequipa of public need and national interest, this law establishes that the STP will be managed by the National University of San Agustín of Arequipa (UNSA). The aim of the park is to strengthen innovation, research, technology development and transfer in the southern of Peru and foster the value addition to natural resources and products. The STP rests on the university capabilities (researchers, laboratories and infrastructure), developed based on royalties received from the mining sector. Management is formally in charge of a foundation created by the university itself.		×

¹² <https://busquedas.elperuano.pe/dispositivo/NL/1780053-3>

¹³ <https://busquedas.elperuano.pe/dispositivo/NL/1831168-1>

¹⁴ <https://busquedas.elperuano.pe/dispositivo/NL/1903218-3>

Law or Regulation	Description regarding STP promotion	General Scope	Particular Scope
Law on the National System of Science, Technology and innovation (SINACTI)	This law defines that the Peruvian STI system is organized in three levels of decision: i) Policy and strategic definition, ii) Implementation of policies, and iii) execution of STI activities.		
Law N° 31250 ¹⁵¹⁶ (7/2/2021)	In the third level, the law creates the figure of Regional Partnerships, which can promote the creation and implementation of STP with territorial focus.		
Declaration of national interest the Project “Creation of the Technology and Innovation Park for Agriculture in the National University Agraria La Molina”	Besides declaring the STP of national interest, this decree establishes that the STP will be managed by the National University Agraria La Molina (UNALM in its Spanish acronym). It establishes that the project has to fulfil what is defined by CONCYTEC’s guidelines. Moreover, the declaration of interest only contains an open clause about the need for different levels of the government to set incentives for STP, with no specific mandate to any agency.		x
Decree N° 183-2021-PCM ¹⁷ (12/18/2021)	The UNALM is currently building the STP infrastructure with public resources through a public investment project, funded by PMESUT (USD 13 million)		
Availability of land for STP in regions	This law declares that land that can be used to develop a STP is of national interest and authorizes regional governments to identify pieces of land that can be used for developing STP.		
Law 31726 (4/18/2023)	With that information public research institutions, regional governments and universities can request the transfer of those pieces of land to create and operate STP. After obtaining the land property, promoters of STP have three years to start building activities.	x	

Source Elaborated by the local consultant.

¹⁵ <https://busquedas.elperuano.pe/dispositivo/NL/1968664-1>

¹⁶ <https://busquedas.elperuano.pe/dispositivo/NL/1968664-1>

¹⁷ <https://busquedas.elperuano.pe/dispositivo/NL/2023090-1>

Overall, the Table 4-1 shows that Peru does not have a nationally comprehensive and/or consistent strategy to promote STP yet. There have only been isolated initiatives with scarce articulation to create favorable conditions to foster these kinds of initiatives. There is certain clarity about the promotion role resting on CONCYTEC, but less clarity regarding the promotion roles of regional and local governments as well as mechanisms needed to incentivize the creation and operation of STP.

Even though there are no explicit functions of CONCYTEC regarding the promotion of STPs, CONCYTEC has exerted its governing function in relation to STPs by, for instance, approving technical guidelines for the creation and operation of STPs and giving technical opinion for laws that declared certain STPs of national interest. CONCYTEC can also propose laws and regulations to be approved by the President or the Congress, something that might be of use to establish incentive schemes for STPs development that would include, for instance, tax incentives, funding, and regulations.

CONCYTEC is governed by a Board of Directors that has representatives from a variety of actors of the STI systems: the public sector, academia, and the private sector. The highest authority of CONCYTEC is its President, who is appointed by a Supreme Decree of the Prime Minister's Office after having been selected in a public contest. The President of CONCYTEC has a term of five years.

4.2.2. Technical Guidelines for STPs Issued By CONCYTEC

As pointed out earlier, there is no explicit legal document that provides legal power and authority to CONCYTEC regarding STP policies. The technical guidelines issued by CONCYTEC, however, provide adjunct power and/or authority regarding STPs.

The first version of CONCYTEC's guidelines to set up STPs was issued in 2016, and it was updated in 2019. The guidelines recognized that the most important problems in the Peruvian STI system are the lack of linkages between academia and the private sector, meaning that the supply of science and technology does not match the demand in society as well as industry. Therefore, STPs emerge as instruments to fill such a gap, for they imply favorable environments for creation, knowledge and technology transfer, adoption of technology, and generation of technological innovations.

Conceptually, the Guidelines place STPs in the intersection of the helices of the triple helix theory: academia, government, and industry. The main objective of STPs is, therefore, to bring providers, clients, and users of knowledge together within the same space, so their proximity facilitates technology transfer among all organizations located within the STPs. In this regard, the Guidelines also adopt a system perspective of innovation.

To some extent, the Guidelines establish some priorities in which STPs should focus. In terms of scientific fields, they have prioritized: Life science and biotechnology, Materials

science and technology, Information and communication technologies, Environmental science and technologies, and Basic sciences. Regarding economic sectors and industries: Agriculture and livestock and agribusiness, Fishery and aquaculture, Mining and metallurgy, Forestry, Energy, Telecommunications, Tourism, Health, Education, and Environment.

Finally, CONCYTEC has set the following guidelines to set up and operate STPs.

- Guideline 1. STP initiatives must define and undertake activities in relation to their stage of development.
- Guideline 2. STP initiatives must design a clear and sound strategy for their creation and development.
- Guideline 3. STP initiatives must design and implement a technology transfer plan.
- Guideline 4. STP initiatives must identify and articulate with key actors.
- Guideline 5. STP initiatives must provide specialized technological services.
- Guideline 6. STP must have resources and obtain results approved by CONCYTEC in each stage of development to obtain a certification.

4.2.3. STP Promotion at the Regional Level

In the process of decentralization that started in the early 2000s in Peru, several policy functions were transferred from the central government to the regional governments, which are elected by universal vote, for four (4) years. According to the Law on Regional Governments (Law N° 27867),¹⁸ they have the following function regarding the promotion of STI and industry development:

- Promote the modernization of SMEs, articulating with activities of education, employment, technology update, and innovation.
- Regarding education, science, and technology, they can formulate, design, approve, implement, and evaluate regional policies and programs.
- Regarding employment, SMEs and commerce can promote the training of human resources of firms, as well as their productivity and competitiveness through training, information provision, and technology transfer.
- Regarding agriculture, they can promote research, technology transfer, and diffusion.
- In Fishery, they can promote research and information provision on technological services for conservation and protection of the environment.
- Regarding several economic activities such as agriculture, fishery, manufacturing, agribusiness, tourism, and trade can promote certain activities and services.

¹⁸ <https://cdn.www.gob.pe/uploads/document/file/2089900/Ley%20N%C2%B0%2027867%20Ley%20Org%C3%A1nica%20de%20Gobiernos%20Regionales.pdf.pdf?v=1629296173>

Regional governments also have functions regarding the environment and land use by formulating, approving, implementing, steering, and evaluating plans and policies in this domain.

With the legal and institutional framework for STP established by laws at the central government level, regional governments could play a key role in the promotion of STP, particularly in the context of the two laws as shown in Table 4-2.

Table 4-2 Main Laws Framing the Potential Promotion Role of Regional Governments

Law	Description and relation with the promotion of STP
Law on the National System of Science, Technology and Innovation (SINACTI in its Spanish acronym) and its regulations	This law states that STP can be developed within the so-called regional consortia, which consists of agreements between different actors of regional territories to jointly undertake STI programs that can include the setup and operation of STP. Given their functions described earlier, regional governments can use several available mechanisms to foster STP and their activities and relations within regional territories:
Law N° 31250	- Public investment projects for infrastructure and services. - Innovation, technology transfer and industry development programs in several sectors - Allocation of public funding (Budget Program 093)
Availability of land for STP in regions	This law declares that land that can be used to develop a STP is of national interest and authorizes regional governments to identify pieces of land that can be used for developing STP.
Law 31726	With that information public research institutions, regional governments and universities can request the transfer of those pieces of land to create and operate STP. After obtaining the land property, promoters of STP have three years to start building activities.

Source Own elaboration of the local consultant.

Under these considerations, regional governments can be supporters of STP initiatives sponsored by universities or other actors. However, there are two STP initiatives promoted directly by regional governments, exerting their legal functions:

- STP of Moquegua (Mountain region)
- STP of Piura (Coast region)

These two initiatives are in their very early stage of development, as they are waiting for Congress to pass a law declaring they are of national interest.

Moreover, there have been various programs with a territorial focus to promote industrial development and innovation with different approaches, as shown in Table 4-3.

Table 4-3 Industrial Development and Innovation Programs at the Regional Level

Territorial approach	Program	Agency	Regions implementing them
Regional innovation systems and smart specialization	Regional Development Agencies (ARD in its Spanish acronym)	The Prime Minister Office (with funding and technical assistance of the European Commission)	ARD Áncash ARD Apurímac ARD Arequipa ARD Ayacucho ARD Cajamarca ARD Cusco ARD Huancavelica ARD Huánuco ARD La Libertad ARD Loreto ARD Piura ARD San Martín ARD Tacna ARD Tumbes ARD Ucayali
	Dynamization of regional innovation ecosystems	Ministry of Production	Arequipa Amazonas Cusco Huancavelica Huánuco Ica Madre de Dios La Libertad Loreto Piura San Martín Tacna
Cluster development and value chains	Initiatives to foster linkages to accelerate innovation (IVAI in its Spanish acronym)	CONCYTEC	Arequipa (textile) Ayacucho (Andean grains) Cajamarca (mining providers) Lambayeque (tourism) La Libertad (tourism) Madre de Dios (super fruits) Tumbes (sustainable aquaculture) Ucayali (Wood products)
	Cluster development program	Ministry of Production	Various regions in the main cluster of Peru.

Territorial approach	Program	Agency	Regions implementing them
Cluster development and value chains	Innovation and Technology Transfer Centers (CITEs in their Spanish acronym)	Ministry of Production	Arequipa Cajamarca Ica Lima Loreto Madre de Dios Piura San Martín Tacna Ucayali

Source Own elaboration of the local consultant.

4.2.4. STP Promotion at the Local Level

At the local government level, represented by provinces and district municipalities, has certain limitations to promote STI activities, given their functions and operational scales. In general, municipalities can promote and participate in alliances and cooperation mechanisms with public, private, and international entities specialized in STI aspects and foster scientific projects developed by research organizations and international bodies.

Moreover, they could be key players regarding land use and taxes on onerous transfer of real estate and property rights, which sometimes are temporarily reduced or exempted for organizations and investment initiatives in the international experience.

Even though they cannot directly approve the reduction or exceptions, they can do it based on a legal regulation that allows them to do it.

4.3. Laws and Regulations Regarding STP Promotion in South Korea

This section will briefly introduce the Korean laws and regulations in promoting STPs and related to S&T innovation policies. The Korean STP-related legal system consists of three types of laws depending on the levels and scope of the laws covered. The first is called basic laws and/or framework laws on S&T promotion in general. The second is specific laws promoting R&D zones, STPs, and so on. The third is laws on certain issues directly related to S&T innovation, such as educating R&D manpower,

promoting technology transfer, providing investment funds for start-ups, developing the technologies and industries for renewable energies, and so on. There are so many such laws enacted during the past five decades or so that we cannot review them all here. Only those laws that may have direct implications for Peru will be discussed in a limited way.

All Korean laws have enforcement decrees, rules, and/or ordinances at the ministerial level and/or local government levels. Without them, laws cannot be implemented. In fact, laws usually include only the basic directions of policies, and the details needed for implementation are described in various decrees, rules, as well as ordinances at all levels, such as presidential, prime ministerial, ministerial, and many local governments. Those are not reviewed here because most of them include too many detailed conditions and information to ensure certain policies are implemented and effective in the field.

4.3.1. The Framework Act of Science and Technology

In Korea, all laws are under the jurisdiction of certain ministries. All laws should pass the National Assembly to be officially enacted, but once enacted, the actual implementation and further amendment are normally up to the Ministry within its own jurisdiction. The Framework Act of Science and Technology is within the jurisdiction of the Ministry of Science and ICT. Since it is the basic law that rules the domain of S&T in general, it covers almost all S&T-related issues in Korea, including STPs.

Enacted in 2001 and most recently revised in 2024, the Framework Act has five chapters, 36 articles, and many addenda. Chapter V of this law is titled “Strengthening Science and Technological Basis and Creation of Innovative Environment.” Within Article 28 says, “Establishment, expansion, advancement, management, and utilization of facilities and equipment for R&D,” and Article 29 has “Creation of and support for Science Research Complexes.” Thus, it directly mandates the Ministry of Science and ICT’s policy jurisdiction over any kind of STPs. There are several other articles mentioning government-funded research institutions, creative human resources, improvement of S&T-related regulations, etc., which are viewed as auxiliary articles for S&T policies in general, and STPs are a part of it.

4.3.2. The Special Act on Promotion of Special Research and Development Zones

This law is under the jurisdiction of the Ministry of Science and ICT. It is specifically designed for developing special R&D zones, including most STPs. There are ten chapters

and a total of 76 articles with addenda. Because this law is the most important one with lots of implications for the Peruvian STPs, it will be reviewed in greater detail.

Table 4-4 Major Contents of the Special Act on Promotion of Special R&D Zones

Chapter	Main Contents
1. General Provisions	- Art. 1 (Purpose): To promote special R&D zones, thereby accelerating the R&D by colleges, research institutes and companies in the regions, invigorate cooperation and support the commercialization of outcomes from the R&D as well as business start-ups, contribute to technological innovation and economic development of the Republic of Korea - Others: Definitions, relationship to other statutes, responsibilities of the state and local governments, and permit-first-regulate-later principle
2. Designating Special Zones	- Art. 4: Designation of Special Zones - Art. 4-2: Change of Special Zones - Art. 5: Cancellation of Designation of Special Zones - Art. 5-2: Legal Fiction as Cancellation of Designation of Special Zones - Art. 6: Comprehensive Plans to Promote Special Zones - Art. 6-2: Special Zone Development Plans - Art. 6-3: Consultation on Development of Areas without Special Zone Development Plans - Art. 7: Committee for Special Research and Development Zones - Art. 7-2: Evaluation of Performance of Special Zones
3. Reinforcing R&D and commercialization	- Art. 8: Establishment of Infrastructure for Commercializing Outcomes from Research and Development Projects in Special Zones - Art. 9: Designation of Advanced Technology Enterprises - Art. 9-2: Revocation of Designation of Advanced Technology Enterprises - Art. 9-3: Establishment of Research-Based Spin-Off Companies - Art. 9-4: Revocation of Registration of Research-Based Spin-Off Companies - Art. 9-5: Allowable Temporary Retirement and Holding of Concurrent Offices of Researchers in Public Research Institutes - Art. 10: Training in Human Resources Specializing in Research and Development in Special Zones and Establishment of Systems for Exchange and Cooperation among Universities, Research Institutes, and Companies - Art. 11: Assistance in Strengthening Government-Funded Research Institutes' Innovation Capability - Art. 12: Implementation of Special Zone Promotion Projects - Art. 13: Payment of Subsidies for Employment - Art. 14: Special Cases for Tax Benefits and Full or Partial Exemption from Charges

Chapter	Main Contents
3. Reinforcing R&D and commercialization	- Art. 15: Special Cases for Use, Lease, Sale of, or Benefit from State or Public Property - Art. 16: Special Cases regarding the Monopoly Regulation and Fair Trade Act for Promotion of Joint Research and Development - Art. 16-2: Regulatory Exemptions for Demonstration - Art. 16-3: Management and Supervision of Regulatory Exemptions for Demonstration - Art. 16-4: Support for Regulatory Exemptions for Demonstration - Art. 16-5: Revocation of Granting of Regulatory Exemptions for Demonstration - Art. 16-6: Prompt Identification of Regulation - Art. 16-7: Application for Temporary Permission - Art. 16-8: Cancellation of Temporary Permission - Art. 17: Participation in Investment Associations - Art. 18: Promotion of Research and Production Clusters Specializing in Core Industries
4. Dissemination of Outcomes from Operation of Special Zones	- Art. 19: Formulation and Implementation of Policies to Spread Results of Operation of Special Zones - Art. 20: Establishment of Information Systems about Technologies and Markets in Special Zones - Art. 21: Organization and Operation of Research Groups for Each Field of Technology
5. Encouraging foreign investment and improving the living conditions for foreigners	- Art. 22: Assistance in Establishment and Operation of Schools for Foreigners - Art. 23: Designation and Operation of Hospitals for Foreigners - Art. 24: Tax Benefits and Subsidies for Foreign-Invested Companies and Foreign Research Institutes - Art. 25: Establishment of Ombudsman System
6. Implementing special zone development projects	- Art. 26: Implementers of Special Zone Development Projects - Art. 26-2: Revocation of Designation of Project Implementers and Designation of Replacements - Art. 27: Approval of Implementation Plans - Art. 28: Public Notice of Approval of Implementation Plans - Art. 29: Legal Fiction of Authorization or Permission - Art. 29-2: Council on Special Zone Development Projects - Art. 30: Commencement of Special Zone Development Projects - Art. 30-2: Development Projects Implemented in Free Economic Zones - Art. 31: Expropriation of Land - Art. 32: Completion Inspections - Art. 32-2: Re-Investment of Development Gains - Art. 33: Priority Support for Infrastructure - Art. 33-2: Bearing of Expenses

Chapter	Main Contents
7. Management of special zones	- Art. 34: Managing Authority of Special Zones - Art. 35: Zoning of Land by Use - Art. 36: Regulation on Building Activities - Art. 37: Contracts to Move into Special Zones - Art. 37-2: Establishment and Operation of Occupancy Management System - Art. 38: Restrictions on Transfer of Building Sites - Art. 39: Acquisition of Buildings through Auction - Art. 40: Termination of Contracts to Move into Special Zones - Art. 41: Orders to Transfer Buildings - Art. 42 : Restrictions on Permission for Construction - Art. 43: Special Cases regarding Industrial Complexes - Art. 44: Special Cases regarding the National Land Planning and Utilization Act - Art.45: Stabilization of Real Estate Prices in Special Zones
8. Foundation of special R&D zones	- Art. 46: Establishment - Art. 47: Articles of Association - Art. 48: Business Activities - Art. 48-2: Assistance in Establishment and Operation of Workplace Child Care Facilities - Art. 49: Executive Officers - Art. 50: Duties of Executive Officers - Art. 51: Appointment of Agents - Art. 52: Restrictions on Power of Representation - Art. 53: Grounds for Disqualification of Executive Officers - Art. 54: Board of Directors - Art. 55: Appointment or Dismissal of Employees - Art. 56: Prohibition of Divulgence of Confidential Information - Art. 57: Requests for Dispatching of Public Officials - Art. 58: Funding - Art. 58-2: Contributions and Subsidies - Art. 59: Lease of State Property - Art. 60: Approval of Budget Bills - Art. 61: Reports on Settlement of Accounts - Art. 62: Business Year - Art. 63: Accounting Regulations - Art. 64: Borrowing of Funds - Art. 65: Investment in Projects - Art. 66: Issuance of Bonds - Art. 67: Instruction and Supervision - Art. 68: Ownership of Residual Property - Art. 69: Application Mutatis Mutandis of the Civil Act
9. Supplementary rules	- Art. 70: Non-Performance Penalties - Art. 71: Reporting to National Assembly - Art. 72: Delegation or Entrustment of Administrative Authority - Art. 73: Legal Fiction as Public Officials in Application of Penalty Provisions

Chapter	Main Contents
10. Penalty provisions	- Art. 74: Penalty Provisions - Art. 75: Joint Penalty Provisions - Art. 76: Administrative Fines

First and foremost, the purpose of the law is clearly described as “to promote special R&D zones, thereby accelerating the R&D by colleges, research institutes, and private companies in the regions, invigorate mutual cooperation and support the commercialization of outcomes from the R&D as well as business start-ups, contribute to technological innovation and economic development of the Republic of Korea.” As such, this law aims to support all types of R&D zones, to promote mutual cooperation among major actors in S&T innovation, to support the commercialization of the outcomes of R&D activities, and thus contribute to the S&T innovation and economic development of Korea.

One noteworthy article is the Permit-First-Regulate-Later principle described in Article 4. Special R&D zones may have lots of problems to initiate because it can be the first of its kind. Thus, some existing regulations may prohibit people and/or the local government from starting the zone itself. In order to avoid unnecessary delays due to the existing regulations, the Special Law adopts the Permit-First-Regulate-Later principle.

Chapter 2 has identified the designating processes of special R&D zones. Special R&D zones can be designated by the Minister of Science and ICT, but prior to designation, the Minister must discuss it with the head of local government where the special R&D zones are located. The review committee for R&D zones should also review and decide on setting up the zone before the Minister of Science and ICT officially announces it. These administrative processes indicate that objective review processes are required in final designation, meaning the political influence cannot be easily applied to the designation. The law also clearly identifies the necessary conditions to be considered as a special R&D zone. For example, universities, research institutes, and industries should be located nearby and networked among others, the R&D outcomes can be commercialized, and conditions for start-ups should be available, possible contribution to S&T innovation must be high, and conditions to invite foreign universities and/or companies are favorable compared to other areas. Meeting all these conditions first and competing with other candidates afterward are not easy tasks. But once designated as a special R&D zone, the development plan, including financial mobilization, land use, traffic management, etc., should be prepared and helped by the Ministry of Science and ICT. In addition, a comprehensive zone development plan should be prepared by the Ministry of Science and ICT every five years. Performance evaluation plans for each special R&D zone must be prepared separately, and assistance programs should be differentiated according to the performance evaluation results. The results of the evaluation should be publicized.

Chapter 3 describes the actual assistance to special R&D zones. Numerous assisting programs are available, including tax incentives, deregulation, appointing start-ups from research institutes, allowing concurrent positions of researchers in state-run research institutes, assisting network build-up among universities, research institutes, and industries within the special R&D zones, and many other special favors to help R&D activities. Of course, conditions to cancel the designation are also identified. The message is clear. This means that if you are doing well and outperforming what you are supposed to do, you will be paid off. But if you fail to do so, you will be kicked out of the benefits. Regular performance evaluations should be conducted to decide who will stay and who will be kicked out.

Chapter 4 is about the dissemination of outcomes in special R&D zones. Plans should be prepared for the regular dissemination of successful outcomes, and cooperation among interested parties should be activated regularly.

Chapter 5 is devoted to inviting active foreign investments and to improving the living conditions of foreign researchers and their families. Establishing foreign schools, building cultural infrastructure, hospitals for foreigners, tax deduction and financial assistance for foreigners, and even assisting special immigration services are provided.

Chapter 6 is about project management. Administrative processes and various stages to develop actual special R&D zones are explained in this chapter. Forming the Development Council for R&D zones, land expropriation, reinvestment plan for the development profits, preferential support for building up infrastructure, cost-bearing principles, etc, are described in this chapter.

Chapter 7 is about the management authority of the special R&D zones. In fact, the law clearly identifies that the final management authority of R&D zones is up to the Minister of Science and ICT. In the actual case, the management authority is delegated to the promoting foundation of the R&D zone. The Director of the Foundation, delegated by the Minister of Science and ICT, should consult with the local governments and related ministries of the central government to make and/or revise the management plan for the R&D zone. All activities concerning the management are the duties of the Director of the Foundation. Of course, there is a management committee to which the Director has to consult about every important issue, and all the records of committee meetings should be open to the public.

Chapter 8 is about the formation and management of the Foundation, known as the managing authority of Innopolis (<http://www.innopolis.or.kr>). Innopolis is the generic name of the special R&D zone in Korea. Official articles of the Foundation, main responsibilities, and businesses are all identified, including the organization and dispatched public officials from the government.

Chapters 9 and 10 are about supplementary provisions as well as penalty clauses for those who violate the rules and regulations of the special R&D zones.

In conclusion, this law has virtually everything necessary to establish, manage, and maximize the benefits of special R&D zones, or in different terms, STPs. Key differences between Peru and South Korea are as follows:

- i. STPs are not clearly mentioned in any laws in Peru, while it is fully elaborated in a single law named the Special Act, with a clear jurisdiction of a single powerful ministry.
- ii. STPs are mentioned in many laws here and there, with the management function given to CONCYTEC in Peru. It is the Ministry of Science and ICT that has full mandatory control over all the processes of STPs, from selection to evaluation. Of course, a close consultation with the stakeholders within government, both central and local, must be maintained, but the Ministry has a systematic control mechanism empowered by the Special Act.
- iii. Processes of selecting special R&D zones, conditions to apply, review processes, and implementing the actual policies are all systematically described in Korea. Other factors, such as political influence, are limited based upon the structure of the Special Act, and regular evaluation should be exercised, and the results should be made public.
- iv. Each zone has its own management system, namely Foundation. The management of Innopolis is delegated to the Foundation, and all the activities of the Foundation are also open to the public. It is the responsibility of the Foundation to maintain the Innopolis efficiently and achieve its goals as originally planned. If the Foundation fails to do so, the Ministry of Science and ICT, with the consultation with the stakeholders, may decide to dissolve the Innopolis under the review committee's decision.

4.3.3. The Technology Transfer and Commercialization Promotion Act

Next, the Technology Transfer and Commercialization Promotion Act should be discussed. Unlike other laws reviewed so far, this law is under the jurisdiction of the Ministry of Trade, Industry, and Energy. STPs are planned and established not only for R&D activities, but also to pursue profits by commercializing the outcomes of such activities. Thus, once new technologies are developed, systematic assistance for making start-ups based upon those technologies is essential. But technology transfer is not limited to STPs or special R&D zones. The law regulates all technology transfers between and among technology developers and/or innovators and the recipients of technologies, both in public and private, as shown in Table 4-5.

Table 4-5 Technology Transfer and Commercialization Promotion Act

Chapter	Main Contents
1. General Provisions	- Art. 1 (Purpose): To enhance the technical competitiveness of all the industries by formulating and implementing policies appropriate for facilitating the transfer of technologies developed by public research institutes to the private sector for the commercialization of such technologies as well as the smooth trading and commercialization of technologies developed by the private sector, and ultimately to contribute to the growth of the national economy - Others: definitions, responsibilities of government, relationship to other statutes
2. Plans etc.	- Art. 5: Establishment and implementation of plans for facilitation of technology transfer and commercialization - Art. 6: Deleted
3. Expansion of Infrastructure	- Art. 7: Facilitation of registration and supply of information about technology transfer and commercialization - Art. 8: Fact-finding surveys - Art. 9: Deleted - Art.10: Designation of technology trading agency, revocation of designation, and support therefor - Art.11: Organizations exclusively responsible for technology transfer and commercialization in public research institutes - Art.12: Companies specializing commercialization - Art.12-2: Designation of specializing in commercialization and revocation of designation - Art.12-3: Notification of performance of commercialization assistance - Art.13: Nurturing professional human resources for technology transfer and commercialization and support therefor - Art.14: Registration and cultivation of, and support for, technology traders
4. Facilitation of Technology Transfer and Commercialization	- Art.15: Advancement of projects to facilitate technology transfer and commercialization - Art.15-2: Institutions conducting projects to facilitate technology transfer and commercialization - Art.16: Facilitation of international technology transfer and commercialization - Art.17: Support for local governments' projects for facilitating technology transfer and commercialization - Art.18: Implementation of technology protection and promotion projects - Art.19: Facilitation of transfer and commercialization of public technology - Art.20: Transfer and commercialization of private technology - Art.21: Regulations on facilitation of transfer and commercialization of public technology - Art.21-2: Acceptance of contributed technology

Chapter	Main Contents
	- Art.21-3: Establishment of technology holding companies - Art.21-4: Establishment of investment companies - Art.21-5: Work of technology holding companies - Art.21-6: Revocation of registration of technology holding companies - Art.21-7: Operation of technology holding companies - Art.22: Assistance in creation of rights to outcomes of R&D - Art.23: Special cases concerning investment of technology in kind - Art. 24: Vesting of outcomes of public R&D - Art.25: Payment of incentives to persons who saved budget
5. Financial Support for Technology Transfer and Commercialization	- Art.26: Financial support for commercialization - Art.27: Implementing programs for facilitating technology and asset-backed securitization - Art.28: Implementation of programs for facilitate technology-secured loans - Art.29: Provisions of subsidies for advancement of technology transfer and commercialization - Art.30: Lease of state property - Art.31: Granting concessions for IPRs, etc. without consideration
6. Establishment of Technology Evaluation System	- Art.32: Revitalization of technology evaluation - Art.33: Evaluation of economic effects of R&D projects - Art.34: Development and dissemination of technology evaluation techniques - Art.35: Designation of technology evaluation agencies
6-2. Technology Trust Management Business	- Art.35-2: Permission of technology trust management business - Art.35-3: Methods of trust work - Art.35-4: Consignment of trust work - Art.35-5: Duty of technology trust management institutions - Art.35-6: Supervision - Art.35-7: Revocation of permission - Art. 35-8: Disposition of penalty surcharges
7. Supplementary Provisions and Penalty Provisions	- Art.36: Report and submission of data - Art.37: Hearings - Art.38: Prohibition against divulgence of confidential information - Art.39: Entrustment of business affairs - Art.40: Legal fiction as public officials in application of penalty provisions - Art.41: Penalty provisions - Art.42: Joint penalty provisions

This law aims to “enhance the technical competitiveness of all the industries by formulating and implementing policies appropriate for facilitating the transfer of technologies developed by public research institutes to the private sector for the commercialization of such technologies as well as the smooth trading and commercialization of technologies developed by the private sector, and ultimately to

contribute to the growth of the national economy.” (Article 1)

First and foremost, it is required by the law that “the government shall establish and implement a plan for the facilitation of technology transfer and commercialization (hereafter ‘facilitation plan’)” (Article 5).

Chapter 3 of this law has many articles for the expansion of the infrastructure of technology transfer and commercialization. Chapter 4 also has numerous articles to facilitate technology transfer and commercialization. For example, the government can advance projects to facilitate technology transfer and commercialization (Article 15), and the Minister of Trade, Industry, and Energy may designate KIAT (Korea Institute for Advancement of Technology) to conduct the related business activities to facilitate technology transfer and commercialization (Article 15-2). International technology transfer and commercialization are also promoted (Article 16) along with the protection of technologies and promotion projects (Article 17).

Chapter 5 includes financial support for technology transfer and commercialization, and Chapter 6 describes the government's roles and responsibilities to establish a proper technology evaluation system. The technology evaluation system is a prerequisite for allowing technology transfer and commercialization because the potential market value of new technologies should be adequately evaluated before making any transfers. Chapter 6-2 deals with the technology trust management business to facilitate technology transfer and commercialization. Chapter 7 is the supplementary provisions, which include the report and submission of data according to Article 15. The head of each relevant central administrative agency should submit when it is required, and hearings should be held as required by Article 37. Confidential information shouldn't be released, and some penalty clauses are also described.

In short, technology transfer and commercialization in broad contexts are also applied to any business activities and/or start-ups based upon the technologies developed in the STPs.

4.3.4. Implications from the Experiences of Korea

Now, let us turn our attention to the implications of the Korean experiences for the Peruvian STP-related policies, especially to CONCYTEC.

First, CONCYTEC must be empowered by law as the official promoter of STPs. As of now, CONCYTEC is recognized as the technical and normative authority at the national level in the STI domain. It reports hierarchically to the Prime Minister and possesses scientific, administrative, and financial autonomy. But it does not have legal authority, as well as technical and financial leadership to exercise its formal leadership in designating, assisting, evaluating, and monitoring STPs both at the national and local levels. It must

have sole planning authority in setting up STPs at the national level and have enough legal power to implement the plans. It should have enough financial and technical incentives to enable local governments, universities, and/or private firms to form consortia to establish an STP and engage in technological innovation and transfer for their own sake.

Second, all the factors and prerequisites should be listed in law, as well as all the processes to select and designate STPs. This is necessary to avoid any unreasonable pressures from political communities, both national and local.

Third, the interested parties in setting up and maintaining STPs should be formed in a close network environment to be actively promoted and build up cooperation. To form a successful STP, close cooperation among interested parties is essential. They should form a close network and consistently exchange and share necessary technical as well as market information among themselves. Technology transfers can be actively promoted, and new start-ups can enter businesses only when they have market opportunities to succeed. A close network among major players is an essential environment for allowing these activities. An information system to allow sharing the outcomes of STPs should be created and effectively maintained. CONCYTEC must be at the center of this network and can exercise administrative and financial leadership in formulating and maintaining it.

Fourth, the roles of state and local governments must be clearly defined so that any free riding by the regional government should be avoided. In many cases, local governments do not have enough financial resources to promote STPs, and only administrative services are often provided. But as is the case in Korea, both financial and administrative roles of local government should be clearly defined as a condition of designating STPs. Financial obligation by local government increases psychological motivation, thus STP could be a much higher priority among local policy issues. Heads of regional governments would be more actively involved in STPs when their political careers are at risk. Financial obligation on the part of regional governments would increase the chance of not only creating STPs but also making them sustainable in the long run.

Fifth, independent and objective evaluation systems should be introduced and implemented by CONCYTEC. As shown in the Korean experiences, monitoring and evaluation are an essential part of any policy. It is especially true when policies provide any incentives using tax money. STPs are evaluated when they are designated. But evaluation continues and is iterated yearly, or every two to three years. Yearly targets or performance indicators are selected when STPs are designated. A major evaluation is conducted every five years. If any STP fails to meet the targets or falls below the performance lines, they should submit plans to increase performance and be provided with an additional chance to compete. When they finally fail to meet the targets, the status of STP could be cancelled. In short, all STPs are situated under everlasting competition.

Sixth, all incentives that would be provided to STPs should be enlisted by law, so that necessary budgets cannot be swayed by political situations. Deregulations, tax reduction, and/or subsidies should have legal mandates so that CONCYTEC can exercise its legal mandate in implementing STP policies and/or programs.

Seventh, I strongly recommend making one successful STP first, and then disseminating it to other areas. The legal and institutional bases should be prepared to disseminate the outcomes of STPs and allow many innovative start-ups to be created. Organizations and functions of CONCYTEC must also evolve to meet the demands of those firms being actively promoted.

Lastly, a strong willingness and passion on the part of CONCYTEC are needed. Many countries have tried to copy the Korean development model, but not all of them succeeded. In fact, many of them turned out to be failures. This was not the case because they did not know what to do. They all knew what to do and how to do but could not follow the Korean suit for a variety of reasons. As an advisor to Peru, I sincerely hope Peru is an exception.

References

CONSULTATION ON CAPACITY BUILDING FOR THE IMPLEMENTATION AND MANAGEMENT OF STP, IN ORDER TO PROMOTE THE DIGITAL ECONOMY AND THE DEVELOPMENT OF EMERGING TECHNOLOGIES

- Ashton, W. S. (2009). The Structure, function, and evolution of regional industrial ecosystem. *Journal of Industrial Ecology*, Vol.13(2), Yale University.
- Castells, Manuel and Peter Hall. (2006). *Technopoles of the world*. Louteledge.
- CONCYTEC. (2014). *Evaluation of Science and Technology Parks in Peru*
- CONCYTEC. (2019). *Guidelines Science and Technology Parks in Peru*
- Coronel-Monje, K., Candia-Puma, M. A., Vilca-Alosilla, J. J., Goyzueta-Mamani, L. D., Aguilar-Bravo, H. M., Sánchez-Zegarra, J. A., ... & Chávez-Fumagalli, M. A. (2023). Peruvian contributions to scientific publications on experimental research against COVID-19: a systematic review. *F1000Research*, 12, 875.
- European Commission (2004). *Technology Transfer Institutions in Europe: An Overview*.
- Florida, R. (2014). *Startup City: The Urban Shift in Venture Capital and High Technology*, Toronto: Martin Prosperity Institute.
- Guy, K., Autio, E., Escorsa, P., Hogan, B., Laamanen, T., Marinazzo, M., ... & Valls, J. (1996). *The Science Park Evaluation Handbook*. Innovation Programme of Directorate General XIII, http://www.technopolis-group.com/resources/downloads/reports/098a_EVALMETH_final.pdf.
- Katz, Bruce and Wagner, Julie. (2014). *The Rise of Innovation Districts: A New Geography of Innovation in America*, Metropolitan Policy Program at Brookings.
- KISDI. (2025). *Consultation on Capacity Building for the Implementation and Management of STP, in order to Promote the Digital Economy and the Development of Emerging Technologies*.
- Link, A. N. and J. T. Scott. (2003). U.S. science parks: the diffusion of an innovation and its effects on the academic missions of universities. *International Journal of Industrial Organization*, Vol.21.
- Lopez, H., and Vanhaverbeke, W. (2010). *Connecting Open and Closed Innovation*.
- Ministry of Foreign Affairs. (2024). *Peru's Economic and Business Report: Third Quarter 2024*, EY.
- Ministry of Science and ICT (2019). *Special Review Manual for Designation of Innatown*.
- Ministry of Science and ICT (2021). *Detailed Notice on the Designation of R&D Special Zone*.

- Ministry of Science and Technology. (2005). Master Plan for the Promotion of R&D Special Zones. Innopolis.
- OECD. (1999). Boosting Innovation: The Cluster Approach, Paris.
- OECD. (2023). Reviews of Innovation Policy: Korea. OECD iLibrary.
- OECD. (2023). Science, Technology and Innovation Outlook 2023: Enabling Transitions in Times of Disruption.
- Pavel Gabriel Corilloclla Terbullino. (2024), Report on the Status of Scientific and Technology Parks in Peru.
- Pérez, M. P. and A. M. Sánchez. (2003). The development of university spin-offs: early dynamics of technology transfer and networking. Technovation, Vol. 23.
- T Shin, S Hong, & J Kang. (2012). Korea's Strategy for Development of STI Capacity: A Historical Perspective: A Historical Perspective. Policy Reference, 1-50.

Webpages

- UNIDO – Boosting science and technology parks in Peru: <https://hub.unido.org/news/boosting-science-and-technology-parks-peru>
- WIPO – statistics database: Intellectual property statistical country profile 2023, PERU: <https://www.wipo.int/en/web/ip-statistics>
- CONCYTEC (National Council for Science, Technology and Technological Innovation): <https://portal.concytec.gob.pe/>
- Korean Law Information Center - Enforcement decree of the technology transfer and commercialization promotion act: <https://www.law.go.kr/LSW/eng/>
- INDECOPI: <https://www.indecopi.gob.pe/>
- Innopolis Foundation: <https://www.innopolis.or.kr/>
- K-Startup Portal: <https://www.k-startup.go.kr/>
- ProInnovate (Ministry of Production): <https://www.proinnovate.gob.pe/>
- PUCP (Pontificia Universidad Católica del Perú): <https://www.pucp.edu.pe/>
- Startup Perú (ProInnovate): <https://www.startup.peru.gob.pe/>
- Korean Law Information Center - Technology Transfer and Commercialization Promotion Plan (2019): <https://www.law.go.kr/LSW/eng/>

Annex 1.

Enforcement Decree of the Framework Act on Science and Technology

Presidential Decree No. 17303, Jul. 16, 2001
Amended by Presidential Decree No. 17640, Jun. 25, 2002
Presidential Decree No. 17824, Dec. 30, 2002
Presidential Decree No. 17896, Jan. 29, 2003
Presidential Decree No. 18069, Jul. 29, 2003
Presidential Decree No. 18308, Mar. 9, 2004
Presidential Decree No. 18431, Jun. 19, 2004
Presidential Decree No. 18595, Dec. 3, 2004
Presidential Decree No. 18873, Jun. 23, 2005
Presidential Decree No. 19142, Nov. 30, 2005
Presidential Decree No. 19321, Feb. 8, 2006
Presidential Decree No. 19411, Mar. 29, 2006
Presidential Decree No. 19785, Dec. 29, 2006
Presidential Decree No. 19815, Dec. 30, 2006
Presidential Decree No. 19929, Mar. 16, 2007
Presidential Decree No. 20740, Feb. 29, 2008
Presidential Decree No. 20947, Jul. 29, 2008
Presidential Decree No. 20979, Aug. 27, 2008
Presidential Decree No. 20993, Sep. 10, 2008
Presidential Decree No. 21162, Dec. 12, 2008
Presidential Decree No. 21214, Dec. 31, 2008
Presidential Decree No. 21515, May 29, 2009
Presidential Decree No. 21551, Jun. 25, 2009
Presidential Decree No. 21698, Aug. 21, 2009
Presidential Decree No. 22075, Mar. 15, 2010
Presidential Decree No. 22299, Jul. 26, 2010
Presidential Decree No. 22493, Nov. 15, 2010

Presidential Decree No. 22626, Jan. 17, 2011
Presidential Decree No. 22720, Mar. 28, 2011
Presidential Decree No. 22977, Jun. 24, 2011
Presidential Decree No. 23248, Oct. 25, 2011
Presidential Decree No. 23249, Oct. 25, 2011
Presidential Decree No. 23912, Jun. 29, 2012
Presidential Decree No. 24308, Jan. 9, 2013
Presidential Decree No. 24474, Mar. 23, 2013
Presidential Decree No. 25393, Jun. 25, 2014
Presidential Decree No. 25729, Nov. 19, 2014
Presidential Decree No. 26551, Sep. 25, 2015
Presidential Decree No. 26732, Dec. 22, 2015
Presidential Decree No. 27231, Jun. 21, 2016
Presidential Decree No. 27294, Jun. 30, 2016
Presidential Decree No. 28210, Jul. 26, 2017
Presidential Decree No. 28800, Apr. 17, 2018
Presidential Decree No. 30117, Oct. 8, 2019
Presidential Decree No. 30436, Feb. 18, 2020
Presidential Decree No. 31220, Dec. 8, 2020
Presidential Decree No. 31253, Dec. 10, 2020
Presidential Decree No. 31380, Jan. 5, 2021
Presidential Decree No. 31995, Sep. 24, 2021
Presidential Decree No. 32137, Nov. 23, 2021
Presidential Decree No. 32726, Jun. 28, 2022
Presidential Decree No. 32990, Nov. 15, 2022
Presidential Decree No. 34108, Jan. 9, 2024
Presidential Decree No. 34854, Aug. 27, 2024

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Decree is to provide for matters mandated by the Framework Act on Science and Technology and those necessary for the enforcement thereof.

[This Article Wholly Amended on Jul. 26, 2010]

Article 2 (Private Participation in Policy Formulation)

Where the heads of relevant central administrative agencies and of local governments (hereinafter referred to as "heads of the relevant administrative agencies") formulate a science and technology policy (hereafter in this Article referred to as "policy") pursuant to Article 5 (3) of the Framework Act on Science and Technology (hereinafter referred to as the "Act"), they shall expand the participation of private experts and that of corporations, organizations or civic groups (referring to non-profit, non-governmental organizations under Article 2 of the Assistance for Non-Profit, Non-Governmental Organizations Act; hereinafter the same shall apply) referred to in the subparagraphs of Article 49 in affiliated committees related to science and technology, survey the opinions of individuals, corporations and organizations subject to the policy, and reflect them to the maximum extent in the formulation and execution of the policy.

[This Article Wholly Amended on Jul. 26, 2010]

CHAPTER II FORMULATION OF POLICIES FOR SCIENCE AND TECHNOLOGY AND SYSTEMS FOR PROMOTION

Article 3 (Formulation of Mid- and Long-Term Policy Objectives and Directions)

- (1) The Minister of Science and ICT shall notify mid- and long-term policy objectives and direction-setting relating to the development of science and technology determined pursuant to Article 7 (1) of the Act (hereafter in this Article referred to as "mid- and long-term policy objectives, etc.") to the heads of relevant administrative agencies, and publicly announce the same. <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (2) Mid- and long-term policy objectives, etc. shall be formulated on the basis of development trends in science and technology, forecast of ensuing social changes in the future under Article 13 of the Act and Korea's research and development capabilities, and include the following: <Amended on Nov. 19, 2014>
 1. Mid- and long-term objectives spanning at least five years for the developments

in science and technology;

2. Development strategies and implementation directions for achievement of the development objectives referred to in subparagraph 1;
3. Other important policy tasks to be advanced that are necessary for the development of science and technology in the Republic of Korea;
4. Deleted; <Nov. 19, 2014>
5. Deleted; <Nov. 19, 2014>
6. Deleted. <Nov. 19, 2014>

[This Article Wholly Amended on Jul. 26, 2010]

Article 3-2 (Preliminary Review and Fact-Finding Survey of Mid- and Long-Term Plans for Science and Technology Fields)

- (1) The Minister of Science and ICT shall conduct a preliminary review of at least five years' mid- and long-term plans for science and technology fields to be formulated by the heads of the relevant central administrative agencies that conduct national research and development projects (excluding those relating to national defense, humanities, and social sciences) under their jurisdiction pursuant to governing statutes and regulations, and shall inform the heads of the relevant central administrative agencies of the results thereof. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT shall conduct an annual fact-finding survey concerning matters, such as the correlations between a master plan for science and technology prescribed in Article 7 (2) of the Act (hereinafter referred to as "master plan") and the mid- and long-term plan under paragraph (1), and shall inform the heads of the relevant central administrative agencies of the results thereof. <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (3) Where necessary for conducting the fact-finding survey under paragraph (2), the Minister of Science and ICT may request the heads of the relevant central administrative agencies to submit necessary information. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Newly Inserted on Mar. 28, 2011]

Article 3-3 (Securing Promising Technologies for Future)

- (1) In order to efficiently secure promising technologies for the future under Article 7 (3) 4-2 of the Act, the heads of central administrative agencies may formulate a technology map of the fields under their respective jurisdiction (referring to a plan for technological development proposing objectives by stage and strategical direction of technological development).
- (2) With respect to technologies for which cooperation from relevant central

administrative agencies is necessary or to which multiple central administrative agencies are related, the Minister of Science and ICT may formulate a technology map concerning technologies (hereinafter referred to as "national technology map") and shall hear the opinions of the heads of relevant central administrative agencies when he or she formulates a national technology map. <Amended on Jul. 26, 2017>

- (3) Each national technology map shall contain the following matters:
 1. Demand for respective promising technologies for the future and prospects for marketability;
 2. Trends in development of respective promising technologies for the future and prospects therefor;
 3. Trends in intellectual property related with promising technologies for the future and prospect therefor;
 4. Objectives of respective promising technologies for the future, timing for realization thereof and strategies for procuring promising technologies for the future;
 5. Other matters related to the development of promising technologies for the future.
- (4) If necessary for formulating a national technology map, the Minister of Science and ICT may request the heads of relevant central administrative agencies, heads of local governments and heads of agencies and organizations related to science and technologies to submit necessary data. <Amended on Jul. 26, 2017>
- (5) Where the Minister of Science and ICT deems it necessary as technologies develop, he or she may correct and supplement a national technology map. <Amended on Jul. 26, 2017>

[This Article Newly Inserted on Nov. 19, 2014]

Article 4 (Major Matters to Be Included in Master Plans for Science and Technology)

"Other important matters prescribed by Presidential Decree concerning the advancement of science and technology" in Article 7 (3) 16 of the Act means the following: <Amended on Dec. 22, 2015; Jun. 28, 2022>

1. Matters concerning the expansion of the basis for science and technology, such as culture of science and technology;
- 1-2. Matters concerning the establishment, expansion, sophistication, management, operation, joint use and disposal of facilities and equipment for research and development based on science and technology;
2. Matters concerning the creation of and support for scientific research complexes;
3. Matters concerning policies on the management and protection of intellectual

property rights;

4. Matters concerning the establishment of classification systems for the national science and technology standards;
5. Matters concerning the subsidization of funds necessary for technological innovations;
6. Matters concerning support for national standards-related policy.

[This Article Wholly Amended on Jul. 26, 2010]

Article 5 (Formulation of Implementation Plans)

- (1) The Minister of Science and ICT shall determine guidelines for establishing an annual implementation plan for the following year and guidelines for assessing outcomes of promotion for the year (hereinafter referred to as "guidelines for formulating implementation plans, etc.") to enable the heads of relevant administrative agencies to formulate and promote an annual implementation plan under Article 7 (4) of the Act, and inform the heads of relevant administrative agencies of the details by no later than October 31 of each year. <Amended on Mar. 28, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (2) The Minister of Science and ICT may request the heads of relevant administrative agencies to submit necessary data, if necessary to develop guidelines for formulating implementation plans, etc. <Amended on Mar. 28, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (3) The heads of the relevant administrative agencies shall formulate an implementation plan for each field under their jurisdiction and check the records of actual achievements according to the guidelines for formulating implementation plans, etc., and submit to the Minister of Science and ICT an implementation plan for the year and outcomes of promotion for the previous year by no later than January 15 of each year. <Amended on Mar. 28, 2011; Feb. 9, 2013; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (4) Upon receiving implementation plans and outcomes of promotion pursuant to paragraph (3), the Minister of Science and ICT shall aggregate them in accordance with the master plan and inform the heads of relevant administrative agencies of implementation plans for the year and outcomes of promotion for the previous year by no later than March 15 of each year. <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (5) Where the head of any relevant administrative agency intends to revise important particulars of a finalized implementation plan, he or she shall pre-consult with the Minister of Economy and Finance and the Minister of Science and ICT and submit the revised implementation plan to the Presidential Advisory Council on Science and Technology prescribed in the Presidential Advisory Council on Science and

Technology Act (hereinafter referred to as the "Presidential Advisory Council on Science and Technology"). <Amended on Mar. 28, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017; Apr. 17, 2018

[This Article Wholly Amended on Jul. 26, 2010]

Article 5-2 (Formulation of Mid- and Long-Term Investment Strategy for National Research and Development and Annual Implementation Plans)

- (1) Pursuant to Article 7-2 (1) of the Act, the Minister of Science and ICT shall formulate a mid- and long-term investment strategy for national research and development (hereinafter referred to as "mid- and long-term investment strategy") every five years at a frequency by which a master plan is formulated.
- (2) When the Minister of Science and ICT formulates a mid- and long-term investment strategy, he or she shall finalize it after deliberation by the Presidential Advisory Council on Science and Technology within 90 days from the date the master plan is finalized.
- (3) "Matters concerning the strategic investment of the budget for national research and development projects prescribed by Presidential Decree" in Article 7-2 (2) 4 of the Act means matters concerning strategic investment of the budget for projects in the following fields of research and development:
 1. Areas relating to securing industrial and technical competitiveness, such as fostering growth engines, securing promising future technologies, facilitating the transfer and commercialization of technology, and establishing a system for expanding, managing, and utilizing scientific and technological knowledge and information resources;
 2. Areas relating to improving the quality of life of the people by, such as resolving domestic economic and social issues and global problems, promoting local science and technology, and advancing scientific and technological culture;
 3. Areas relating to creating an autonomous and risk-taking research environment, such as improving systems for promoting basic research, training human resources in science and technology, and enhancing innovative capabilities in science and technology;
 4. Other areas in which any strategic investment of the budget for a national research and development project is deemed necessary by the Minister of Science and ICT.
- (4) The Minister of Science and ICT shall formulate an annual plan for implementing mid- and long-term investment strategies under Article 7-2 (3) of the Act (hereinafter referred to as "plan for implementing mid- and long-term investment strategies") and finalize it after deliberation by the Presidential Advisory Council on Science and Technology by March 15 each year. <Amended on Jan. 9, 2024>

- (5) The Minister of Science and ICT may request the head of a relevant central administrative agency to submit the results of implementation of the plan for implementing medium- and long-term investment strategies in the relevant year, if necessary for formulating a plan for implementing mid- and long-term investment strategies for the following year.
 - (6) Where the Minister of Science and ICT requests the submission of records of performance of a plan for implementing medium- and long-term investment strategies pursuant to paragraph (5), he or she shall determine guidelines for the examination of the records of performance of the plan for implementing medium- and long-term investment strategies (hereinafter referred to as "guidelines for the examination of implementation results") and inform the heads of relevant central administrative agencies of said guidelines by October 30 of the relevant year.
 ‹Amended on Jan. 9, 2024›
 - (7) The head of a relevant central administrative agency shall examine records of performance in accordance with the guidelines for the examination of implementation results referred to in paragraph (5) and submit such results to the Minister of Science and ICT by January 15 of the relevant year.
 ‹Amended on Jan. 9, 2024›
 - (8) The Minister of Science and ICT may request agencies or organizations related to national research and development projects to submit necessary data for formulating mid- and long-term investment strategies and plans for implementing medium- and long-term investment strategies.
- [This Article Newly Inserted on Dec. 10, 2020]

Article 6 (Formulation of Implementation Plans for Comprehensive Plans for Advancement of Local Science and Technology)

- (1) The provisions of Article 5 (1) through (4) shall apply mutatis mutandis to the formulation of annual implementation plans for the comprehensive plan for the advancement of local science and technology under Article 8 (3) of the Act and to submission of, and reporting on the records of actual achievements for the previous year. In such cases, "heads of the relevant administrative agencies" shall be construed as "heads of local governments" and "master plan" shall be construed as "comprehensive plan for the advancement of local science and technology under Article 8 (1) of the Act".
 ‹Amended on Mar. 28, 2011›
- (2) To ensure efficient formulation of, and review of the performance of, the comprehensive plan for the advancement of local science and technology and its annual implementation plans, the Minister of Science and ICT shall conduct a fact-finding survey on local science and technology and notify the heads of the relevant administrative agencies of the results thereof.
 ‹Newly Inserted on Mar. 28, 2011;›

Mar. 23, 2013; Jul. 26, 2017>

- (3) The Minister of Science and ICT may, if necessary to conduct the fact-finding survey under paragraph (2), request the heads of the relevant administrative agencies to submit necessary materials. <Newly Inserted on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 7 (Functions of Advisory Organizations Specializing in Science and Technology)

The head of a central administrative agency or the head of a local government may seek advice from an advisory organization specializing in science and technology under Article 8-4 (1) of the Act (hereinafter referred to as "advisory organization specializing in science and technology") about the following:

1. Matters concerning strategies for the development of science and technology and the direction-setting for policies of science and technology, for the innovation of science and technology and the development of information and human resources related to science and technology of central administrative agencies or local governments;
2. Matters concerning the improvement and repairing of systems in the fields of science and technology in central administrative agencies or local governments;
3. Other matters on which the head of a central administrative agency or the head of a local government deems it necessary to seek advice for the development of science and technology.

[This Article Newly Inserted on Nov. 15, 2022]

Article 8 (Organization and Operation of Central Advisory Organization Specializing in Science and Technology)

- (1) An advisory organization specialized in science and technology established in a central administrative agency (hereinafter referred to as "central advisory organization specializing in science and technology") shall be comprised of not more than 30 members, including one chairperson.
- (2) The chairperson of a central advisory organization specializing in science and technology shall be a person designated by the head of the relevant central administrative agency, from among public officials in charge of affairs concerning science and technology policies.
- (3) A person commissioned by the head of the relevant central administrative agency, from among the following persons, shall become members of the central advisory organization specializing in science and technology:
 1. Persons recommended by the head of an science and technology-related

- institution or organization, from among its executive officers and employees;
2. Persons with extensive knowledge of and experience in the field of the science and technology industry.
 - (4) A member commissioned pursuant to paragraph (3) shall hold office for a term of two years.
 - (5) The head of a central administrative agency may dismiss its member commissioned pursuant to paragraph (3) in any of the following cases:
 1. Where a member becomes incapable of performing his or her duties due to mental or physical disability;
 2. Where a member commits misconduct in connection with his or her duties;
 3. Where a member is deemed unsuitable for the position due to neglect of duties, injury to dignity, or any other reasons;
 4. Where a member personally expresses that it is impracticable for him or her to perform his or her duties.
 - (6) The chairperson shall convene meetings of a central advisory organization specializing in science and technology.
 - (7) Except as provided in paragraphs (1) through (6), matters necessary for the composition and operation of a central advisory organization specializing in science and technology shall be determined and publicly notified by the head of a central administrative agency.

[This Article Newly Inserted on Nov. 15, 2022]

Article 9 (Composition and Operation of Local Advisory Organization Specializing in Science and Technology)

Matters concerning the composition and operation of an advisory organization specializing in science and technology established within a local government (hereinafter referred to as "local advisory organization specializing in science and technology") shall be prescribed by municipal ordinance of the relevant local government in accordance with the following standards:

1. A local advisory organization specializing in science and technology shall be comprised of not more than 30 members, including one chairperson;
2. The chairperson of a local advisory organization specializing in science and technology shall be selected from among public officials in charge of affairs concerning science and technology policies of the relevant local government;
3. The members of a local advisory organization specializing in science and technology shall be comprised of civilian members who have knowledge of and experience in the fields of science and technology;
4. Civilian members shall hold office for a period sufficient to ensure expertise in science and technology, taking into account the characteristics, etc. of the

- science and technology policies of local governments;
5. Grounds for the dismissal of civilian members shall be prescribed for the smooth operation of a local advisory organization specializing in science and technology;
 6. Matters necessary for the operation of the meeting, such as the person authorized to convene a meeting of a local advisory organization specializing in science and technology and the procedures for convening the meeting, shall be determined.

[This Article Newly Inserted on Nov. 15, 2022]

Article 9-2 Deleted. <Apr. 17, 2018>

Article 9-3 Deleted. <Apr. 17, 2018>

Article 10 Deleted. <Apr. 17, 2018>

Article 11 Deleted. <Apr. 17, 2018>

Article 12 Deleted. <Apr. 17, 2018>

Article 13 Deleted. <Apr. 17, 2018>

Article 13-2 Deleted. <Feb. 29, 2008>

Article 13-3 Deleted. <Dec. 3, 2004>

Article 14 Deleted. <Feb. 29, 2008>

Article 14-2 Deleted. <Feb. 29, 2008>

Article 14-3 Deleted. <Dec. 3, 2004>

Article 15 Deleted. <Apr. 17, 2018>

Article 16 Deleted. <Apr. 17, 2018>

Article 17 Deleted. <Apr. 17, 2018>

Article 18 Deleted. <Apr. 17, 2018>

Article 19 Deleted. <Apr. 17, 2018>

CHAPTER III

CONDUCT OF RESEARCH AND DEVELOPMENT IN SCIENCE AND TECHNOLOGY

Article 20 (Surveys and Analysis of National Research and Development Projects)

- (1) In order to perform surveys and analysis concerning national research and development projects pursuant to Article 12 (1) of the Act, the Minister of Science and ICT shall formulate a plan for a survey and analysis of national research and development projects (hereafter in this Article referred to as "survey and analysis plan") and notify it to the heads of the relevant central administrative agencies by no later than November 30 each year. <Amended on Jan. 9, 2013; Mar. 23, 2013; Jul.

26, 2017>

- (2) A survey and analysis plan shall state the agency required to submit materials, target projects, materials to be submitted, a deadline for submission, etc. <Amended on Jan. 9, 2013>
- (3) The heads of relevant central administrative agencies and the chairperson of the National Research Council of Science and Technology under Article 18 of the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes (hereinafter referred to as "Research Council") shall submit to the Minister of Science and ICT the following materials concerning the research and development projects under their jurisdiction in accordance with the relevant survey and analysis plan: <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
 1. Implementation plan (including plans for performance and matters concerning actual achievements) for national research and development projects for the relevant year;
 2. List of agreed tasks;
 3. Other materials determined by the Minister of Science and ICT in consultation with the heads of the relevant central administrative agencies.
- (4) The Minister of Science and ICT shall conduct surveys and analysis of national research and development projects based on the relevant survey and analysis plans and the materials submitted under paragraph (3). <Amended on Jan. 9, 2013; Mar. 23, 2013; Jul. 26, 2017>
- (5) The Minister of Science and ICT shall build a database of the materials submitted under paragraph (3) and the outcomes of surveys and analysis performed under paragraph (4) and shall facilitate the efficient utilization thereof. <Amended on Jan. 9, 2013; Mar. 23, 2013; Jul. 26, 2017>
- (6) "National research and development projects in the fields of national defense, which are prescribed by Presidential Decree" in Article 12 (2) of the Act, means the projects determined by the Minister of Science and ICT after consultations with the Commissioner of the Defense Acquisition Program Administration. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

[Title Amended on Jan. 9, 2013]

Article 21 (Allocation and Adjustment of Budget for National Research and Development Projects)

- (1) The opinions on the investment priority of national research and development projects under Article 12-2 (1) of the Act shall include the key investment approach employed by the relevant central administrative agency, priorities in major policy

fields, direction for the improvement of relevant systems, etc.

- (2) The Minister of Science and ICT shall prepare the following matters and submit them to the Minister of Economy and Finance after deliberation by the Presidential Advisory Council on Science and Technology pursuant to Article 12-2 (5) of the Act: <Newly Inserted on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
 1. Formulation of objectives of national research and development projects and the details of adjustment of the fields in which investments are to be concentrated to achieve these objectives;
 2. Size of investments by field of technology in the national research and development projects, the investment priority for each project in the relevant fields of technology, and the details of investment size adjustments;
 3. Details of adjustment, such as division of roles in performing similar or overlapping projects among the relevant central administrative agencies to enhance investment efficiency in national research and development projects.
- (3) "Major national research and development projects prescribed by Presidential Decree" in Article 12-2 (5) 3 of the Act means the following projects, other than national research and development projects, etc. in the fields of humanities and social sciences and national research and development projects requiring a high level of security for national defense: <Amended on Mar. 28, 2011; Mar. 23, 2013; Jun. 30, 2016; Apr. 17, 2018>
 1. Large-scale mid- and long-term national research and development projects covering a period of at least five years and implemented based on the master plan or plans established by the relevant central administrative agencies pursuant to statutes and regulations under their jurisdiction;
 2. National research and development projects that require a high degree of professional and technical judgment among projects carried out for creation of future growth engines;
 3. National research and development projects, aiming at acquisition of new knowledge, in the field of basic science and technology;
 4. National research and development projects that require deliberation by the Presidential Advisory Council on Science and Technology for the improvement of investment efficiency, such as similar or overlapping projects of relevant central administrative agencies, projects for installation of research facilities and equipment, and research and development projects involving two or more central administrative agencies.
- (4) The Minister of Economy and Finance shall submit the results of budget formulation for national research and development projects to the Minister of Science and ICT, who in turn may present his or her opinion, if necessary. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>

- (5) The heads of the relevant central administrative agencies shall endeavor to ensure efficient investments in national research and development projects, taking into consideration the results of deliberation under Article 12-2 (5) of the Act, in conducting the national research and development projects under their jurisdiction. <Amended on Mar. 28, 2011; Mar. 23, 2013>

[This Article Wholly Amended on Jul. 26, 2010]

[Title Amended on Mar. 23, 2013]

Article 21-2 (Designation and Duties of Supporting Institution for Investment in Research and Development)

- (1) Where the Minister of Science and ICT designates an institution under Article 12-2 (6) of the Act specializing in professionally supporting the efficient formulation of the matters prescribed in the subparagraphs of paragraph (5) of that Article (hereafter in this Article referred to as "supporting institution for investment in research and development"), the Minister shall designate such institution from among research and development institutions under the National Research and Development Innovation Act for each field of national research and development projects.
- (2) When the Minister of Science and ICT designates a supporting institution for investment in research and development, the Minister shall publish such fact on the website of the Ministry of Science and ICT.
- (3) A supporting institution for investment in research and development shall perform the following affairs:
1. Supporting the formulation of long-term and short-term investment policies in the fields of the national research and development projects under its jurisdiction;
 2. Supporting the analysis of budget projects for the allocation and adjustment of the research and development budget in the fields of the national research and development projects under its jurisdiction;
 3. Preparation of in-depth reports on research and development outcomes and promising technologies in the fields of national research and development projects under its jurisdiction;
 4. Other affairs to support the formulation of research and development strategies and investment directions in the fields of national research and development projects under its jurisdiction.
- (4) When a supporting institution for investment in research and development conducts the affairs prescribed in the subparagraphs of paragraph (3), it shall gather the opinions of enterprises, universities, research institutes, experts, etc. related to the fields of national research and development projects under its

jurisdiction.

- (5) The Minister of Science and ICT shall support a supporting institution for investment in research and development so that it can build a cooperation system necessary for gathering opinions pursuant to paragraph (4).
- (6) Except as provided in paragraphs (1) through (5), matters necessary for the designation procedures, operation, etc. of a supporting institution for investment in research and development shall be determined by the Minister of Science and ICT.

[This Article Newly Inserted on Jun. 28, 2022]

[Previous Article 21-2 moved to Article 21-3 <Jun. 28, 2022>]

Article 21-3 (Operation of the Consultation Committee on Budget for National Research and Development Projects)

- (1) The Minister of Economy and Finance and the Minister of Science and ICT shall operate a consultation committee to discuss matters concerning the allocation, adjustment, etc. of the budget for national research and development projects under Article 12-2 of the Act. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Economy and Finance and the Minister of Science and ICT shall inform the heads of the relevant central administrative agencies of the matters directly relating to the relevant agencies, among the results of the consultation under paragraph (1). <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Newly Inserted on Mar. 28, 2011]

[Moved from Article 21-2; Previous Article 21-3 moved to Article 21-4 <Jun. 28, 2022>]

Article 21-4 (Submission of Opinions for Selection of Projects Subject to Preliminary Feasibility Studies)

- (1) "National research and development project prescribed by Presidential Decree" in Article 12-3 (1) of the Act means any of research and development projects under the Act on the Performance Evaluation and Management of National Research and Development Projects. <Amended on Dec. 22, 2015>
- (2) The Minister of Science and ICT shall conduct technology evaluation of the national research and development projects pursuant to Article 12-3 (1) of the Act with a focus on the following: <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
 1. Necessity and urgency for technology development;
 2. Specificity of project plans;
 3. Similarities to or redundancy with existing projects;
 4. Suitability of support from the national treasury;
 5. Deleted; <Apr. 17, 2018>
 6. Deleted. <Apr. 17, 2018>

- (3) Where the Minister of Economy and Finance selects a project to be subject to a preliminary feasibility study pursuant to Article 12-3 (2) of the Act, he or she shall inform the Minister of Science and ICT the results thereof. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Newly Inserted on Mar. 28, 2011]

[Moved from Article 21-3 <Jun. 28, 2022>]

Article 22 (Science and Technology Forecasting)

- (1) Deleted. <Nov. 19, 2014>
- (2) The Minister of Science and ICT shall forecast trends in development of science and technology and in the accompanying changes of future society (hereinafter referred to as "science and technology forecast") under Article 13 (1) of the Act every five years and reflect such results in every master plan. <Amended on Mar. 28, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (3) The Minister of Science and ICT shall report the outcomes of the science and technology forecast to the Presidential Advisory Council on Science and Technology and make public announcement thereof. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
- (4) The science and technology forecast shall be entrusted to and conducted by the Korea Institute of Science and Technology Evaluation and Planning established under Article 20 of the Act (hereinafter referred to as the "Evaluation and Planning Institute").
- (5) The heads of the relevant central administrative agencies may conduct science and technology forecasts or technology needs assessments concerning the fields under their jurisdiction, aside from the science and technology forecast prescribed in paragraph (2), where such forecast or assessment is made, they shall report the results thereof to the Presidential Advisory Council on Science and Technology and publicly announce the same. <Amended on Mar. 23, 2013; Apr. 17, 2018>
- (6) The heads of the relevant central administrative agencies shall identify key technologies vital for enhancement of the nation's competitiveness and development of the national economy based on the science and technology forecast or the technology needs assessment conducted under paragraph (2) or (5), and shall actively reflect them in national research and development projects under their jurisdiction.

[This Article Wholly Amended on Jul. 26, 2010]

Article 23 (Scope of and Procedures for Technology Assessment)

- (1) Technologies subject to the technology assessment under Article 14 (1) of the Act (hereinafter referred to as "technology assessment") shall be those that are

determined by the Minister of Science and ICT in consultation with the heads of the relevant central administrative agencies and that are new future technology or technology with substantial technological, economic and social impacts and spillover effects, etc. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>

- (2) The technology assessment shall include the following: <Amended on Nov. 23, 2021>
 1. Impact of the relevant technology on the enhancement of benefits to citizens and on the development of relevant industries;
 2. Impact of the new science and technology on the economy, society, culture, ethics and the environment;
 3. Measures to prevent adverse effects of the relevant technology, where the relevant technology has any potential adverse effect;
 4. Impact of the nature and ripple effects of the relevant technology on characteristics, such as gender.
- (3) The Minister of Science and ICT shall conduct a technology assessment every year. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
- (4) The Evaluation and Planning Institute shall conduct a technology assessment entrusted by the Minister of Science and ICT. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
- (5) The President of the Evaluation and Planning Institute shall conduct a technology assessment and report the results thereof to the Minister of Science and ICT: Provided, That the technology assessment shall be conducted pursuant to Article 2 with increased participation of non-governmental experts, civic groups, etc. based on public opinions gathered. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
- (6) Upon receiving the results of a technology assessment under paragraph (5), the Minister of Science and ICT shall report the details thereof to the Presidential Advisory Council on Science and Technology and notify them to the heads of the relevant central administrative agencies. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
- (7) Upon receiving notification of the results of a technology assessment, the heads of the relevant central administrative agencies shall reflect these results in research planning regarding national research and development projects in the fields under their jurisdiction or shall establish and implement measures to minimize adverse effects. <Amended on Mar. 23, 2013; Apr. 17, 2018>
- (8) The heads of the relevant central administrative agencies may conduct a technology assessment of the fields under their jurisdiction, and where they have done so, they shall report the results thereof to the Presidential Advisory Council on Science and Technology.

[This Article Wholly Amended on Jul. 26, 2010]

Article 24 (Technology Evaluation)

- (1) The head of a relevant central administrative agency may, in accordance with Article 14 (2) of the Act, conduct a technology evaluation of the fields under his or her jurisdiction in consultation with the heads of other relevant central administrative agencies, and where he or she has done so, he or she shall report the results thereof to the Presidential Advisory Council on Science and Technology. <Amended on Mar. 23, 2013; Apr. 17, 2018>
- (2) The Minister of Science and ICT shall biennially conduct a technology evaluation of the fields under his or her jurisdiction in consultation with the heads of the relevant central administrative agencies pursuant to Article 14 (2) of the Act, and where he or she has done so, he or she shall report the results thereof to the Presidential Advisory Council on Science and Technology. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>

[This Article Wholly Amended on Jul. 26, 2010]

Article 24-2 (Planning and Selection of and Support for Risk-Taking Research and Development Projects)

- (1) The head of a central administrative agency may plan, select, and support projects that require risk-taking in research and development (hereinafter referred to as "innovative, risk-taking research and development project") from among the national research and development projects under Article 11 of the Act in order to actively promote and support risk-taking in research and development and to create a culture that encourages risk-taking in research and development pursuant to Article 15-2 (1) and (2) of the Act.
- (2) The Minister of Science and ICT may, in consultation with the heads of relevant central administrative agencies, classify projects deemed to require risk-taking in research and development, from among the national research and development projects under Article 11 of the Act, as a group of innovative, risk-taking research and development projects.
- (3) Where the head of a central administrative agency intends to plan and select the national research and development projects which fall within a group of innovative, risk-taking research and development projects under paragraph (2), pursuant to paragraph (1), the Minister of Science and ICT may provide necessary support.
- (4) Where necessary to efficiently classify a group of innovative, risk-taking research and development projects under paragraph (2), the Minister of Science and ICT may organize and operate a public-private consultative body comprised of members of the Senior Executive Service among public officials of the relevant central

administrative agencies and private experts who have extensive knowledge of the relevant research field or experience in the national research and development projects.

- (5) Except as provided in paragraphs (1) through (4), detailed matters necessary for the classification of a group of innovative, risk-taking research and development projects, and the organization and operation of a private-public consultative body shall be determined and publicly notified by the Minister of Science and ICT in consultation with the heads of relevant central administrative agencies.

[This Article Newly Inserted on Sep. 24, 2021]

Article 24-3 (Implementation of Methods of Competition on Innovative, Risk-Taking Research and Development Projects)

- (1) Where the head of a central administrative agency implements research and development pursuant to Article 15-2 (3) of the Act by allowing multiple research institutes or researchers to compete on the same research subject (hereinafter referred to as "method of competitive research"), he or she may select and implement the following methods:
1. Competition in the planning phase;
 2. Competition in the research and development phase;
 3. Competition through events, such as competitions or presentations;
 4. Other methods of competition that the head of the central administrative agency determines for fair and efficient research.
- (2) With respect to research institutes or researchers participating in an innovative, risk-taking research and development project implemented by method of competitive research, the head of a central administrative agency may determine whether said research shall be continued or make differential payment of research and development expenses, taking into account the outcomes of the competition.
- (3) Where the head of a central administrative agency intends to implement an innovative, risk-taking research and development project by method of competitive research, he or she shall publicly announce the following matters in advance:
1. Specific objectives of the research and development project;
 2. Detailed methods of competitive research;
 3. Methods and criteria for the determination where he or she intends to determine whether the research shall be continued or to make differential payment of research and development expenses, taking into account the results of competition pursuant to paragraph (2);
 4. Other matters deemed necessary by the head of the central administrative agency to implement the project by method of competitive research in a fair and efficient manner.

- (4) Except as provided in paragraphs (1) through (3), detailed matters necessary for operating and managing a method of competitive research shall be determined and publicly notified by the Minister of Science and ICT in consultation with the heads of relevant central administrative agencies.

[This Article Newly Inserted on Sep. 24, 2021]

Article 24-4 (Implementation of Methods of Payment of Monetary Awards, such as Awards for Innovative, Risk-Taking Research and Development Projects)

- (1) Where the head of a central administrative agency intends to implement an innovative, risk-taking research and development project using the method of research and development under which payment of research and development expenses or a monetary award is made pursuant to Article 15-2 (4) of the Act (hereinafter referred to as "method of award-based research"), he or she shall publicly announce the following matters in advance:
1. Levels and details of the objectives of research and development;
 2. The estimated period and cost of the research and development project;
 3. Conditions for participation by research institutes or researchers;
 4. Scope of payment of research and development expenses or monetary awards;
 5. Methods of examining eligible beneficiaries of research and development expenses or monetary awards;
 6. Other matters deemed necessary by the head of the central administrative agency to select eligible beneficiaries.
- (2) When necessary to implement an innovative, risk-taking research and development project using method of award-based research, the head of a central administrative agency may organize and operate a consultative body comprised of private experts.
- (3) Except as provided in paragraphs (1) and (2), detailed matters necessary for the standards, methods, procedures, etc. for the method of award-based research shall be determined and publicly notified by the Minister of Science and ICT in consultation with the heads of relevant central administrative agencies.

[This Article Newly Inserted on Sep. 24, 2021]

Article 24-5 (Budget Compilation of Mid- and Long-Term Innovative, Risk-Taking Research and Development Projects)

- (1) With regard to a R&D project that has been selected as a project subject to a preliminary feasibility study pursuant to Article 12-3 (2) of the Act from among innovative, risk-taking research and development projects whose business feasibility is recognized as a result of the preliminary feasibility study conducted under Article 38 (1) of the National Finance Act, the head of a central administrative

agency, pursuant to Article 15-2 (5) of the Act, may request the Minister of Economy and Finance to allocate all or part of the expenses of the relevant research and development project as continuing expenditure under Article 23 of the National Finance Act.

- (2) Upon receipt of the request from the head of the central administrative agency under paragraph (1), the Minister of Economy and Finance may request the Minister of Science and ICT to examine the appropriateness of the relevant request.

[This Article Newly Inserted on Sep. 24, 2021]

[Previous Article 24-5 moved to Article 24-6 <Sep. 24, 2021>]

Article 24-6 (Formulation of Plans for Discovering and Fostering Growth Engines)

- (1) In order to discover and foster growth engines based on science and technology pursuant to Article 16-5 of the Act, the Minister of Science and ICT shall formulate and implement a plan to discover and foster growth engines. <Amended on Jul. 26, 2017>
- (2) Where the Minister of Science and ICT formulates a plan to discover and foster growth engines, he or she shall hear the opinions of the heads of relevant central administrative agencies and the heads of economic organizations. <Amended on Jul. 26, 2017>
- (3) If necessary for formulating a plan to discover and foster growth engines, the Minister of Science and ICT may request heads of relevant central administrative agencies, heads of local governments, the heads of enterprises, educational institutions or research institutes, or the heads of institutions and organizations related to science and technology to submit necessary data. <Amended on Jul. 26, 2017>

[This Article Newly Inserted on Nov. 19, 2014]

[Moved from Article 24-5; previous Article 24-6 moved to Article 24-7 <Sep. 24, 2021>]

Article 24-7 (Resolving Social Issues by Utilizing Science and Technology)

- (1) In order to resolve social issues by utilizing science and technology pursuant to Article 16-6 (1) of the Act, the Minister of Science and ICT shall formulate a comprehensive plan to resolve social issues based on science and technology reflecting relevant policies, projects, etc. of relevant central administrative agencies (hereinafter referred to as "comprehensive plan") every five years and finalize the plan following deliberation by the Presidential Advisory Council on Science and Technology. <Amended on Jul. 26, 2017; Apr. 17, 2018>
- (2) A comprehensive plan shall contain the following matters:
 1. Matters concerning the facilitation of research and development projects to resolve social issues;

2. Matters concerning dissemination of the outcomes of research and development projects to resolve social issues, such as the establishment of service delivery channels, measures for creating government-led solutions in the fields in which a private sector-led solution is unfeasible or unsatisfactory;
 3. Matters concerning the improvement of systems or regulations for resolving social issues;
 4. Matters concerning raising awareness of people, researchers, etc. for resolving social issues;
 5. Other matters concerning resolving social issues.
- (3) Where necessary to formulate a comprehensive plan, the Minister of Science and ICT may request the heads of relevant central administrative agencies, heads of local governments, the heads of enterprises, educational institutions, or research institutes, or the heads of institutions and organizations related to science and technology to submit necessary data. <Amended on Jul. 26, 2017>
- [This Article Newly Inserted on Nov. 19, 2014]
- [Moved from Article 24-6 <Sep. 24, 2021>]

Article 25 (Collaborative Planning of National Research and Development Projects)

- (1) In order to facilitate collaborative research and development pursuant to Article 17 (1) of the Act and to enhance the efficiency of investment in research and development, the Minister of Science and ICT may designate projects requiring collaborative planning between the relevant central administrative agencies (hereinafter referred to as "planned collaborative projects") in consultation with the heads of the relevant central administrative agencies, from among the national research and development projects involving two or more central administrative agencies. <Amended on Mar. 23, 2013; Jul. 26, 2017>
 - (2) The heads of the relevant central administrative agencies shall jointly set up a project implementation plan for the planned collaborative projects designated pursuant to paragraph (1).
 - (3) Matters concerning the selection and operation of the planned collaborative projects under paragraph (1) shall be determined and publicly announced by the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- [This Article Wholly Amended on Mar. 28, 2011]

Article 26 (Inter-Korean Exchanges and Cooperation in Science and Technology)

- (1) In order to facilitate inter-Korean exchanges and cooperation in the fields of science and technology pursuant to Article 19 of the Act, the Minister of Science and ICT shall formulate and implement a plan for inter-Korean exchanges and cooperation in science and technology that reflects the details of the master

plan (hereinafter referred to as "exchange and cooperation plan") in consultation with the heads of the relevant administrative agencies, including the Minister of Unification and the Director of the National Intelligence Service. <Amended on Mar. 23, 2013; Jul. 26, 2017>

- (2) An exchange and cooperation plan shall include the following matters:
 1. Direction for exchanges and cooperation in science and technology;
 2. Joint research in science and technology, exchanges of human resources and information on science and technology, and development of scientific and technological culture;
 3. Other important matters concerning inter-Korean exchanges and cooperation in the fields of science and technology.
- (3) A specialized institution prescribed in Article 19 (3) of the Act (hereafter in this Article referred to as "specialized institution") shall be designated by the Minister of Science and ICT, after receiving applications from the following institutions, corporations or organizations: <Amended on Jun. 24, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
 1. Institutions or organizations falling under the subparagraphs of Article 14 (1) of the Basic Research Promotion and Technology Development Support Act;
 2. The Korea Foundation for the Advancement of Science and Creativity established under Article 30-2 (1) of the Act (hereinafter referred to as the "Korea Foundation for the Advancement of Science and Creativity");
 3. Non-profit corporations, organizations or research institutes relating to research on South-North unification;
 4. Corporations or organizations falling under the subparagraphs of Article 49.
- (4) A person who desires to be designated as a specialized institution under paragraph (3) shall submit an application prescribed by Ordinance of the Ministry of Science and ICT to the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) The head of a specialized institution designated under paragraph (3) shall submit its business plan and fund execution plan for the relevant year, and the records of actual achievements for the previous year (if applicable) concerning exchange and cooperation plans to the Minister of Science and ICT by no later than January 31 each year. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (6) Where the Minister of Science and ICT has designated a specialized institution, he or she shall publicly announce the following matters in the official gazette: <Amended on Mar. 23, 2013; Jul. 26, 2017>
 1. Name and address of the specialized institution;
 2. Date and effective period of designation;
 3. Types and scope of duties.

[This Article Wholly Amended on Jul. 26, 2010]

Article 27 (Affairs of Korea Institute of Science and Technology Evaluation and Planning)

- (1) "National research and development projects prescribed by Presidential Decree" in Article 20 (4) 6 of the Act means the projects to which the Minister of Science and ICT fully or partially subsidizes expenses incurred in performing the projects. <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (2) Where the Evaluation and Planning Institute wishes to obtain government contributions under Article 20 (6) of the Act, it shall submit to the Minister of Science and ICT an application for contributions, along with the following documents by no later than April 30 each year: <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Jan. 5, 2021>
 1. A business plan for a subsequent year;
 2. An estimated statement of financial position sheet and income statement for a subsequent year;
 3. Other documents necessary for filing of a request for Government contributions.

[This Article Wholly Amended on Jul. 26, 2010]

CHAPTER IV
EXPANSION OF INVESTMENTS IN SCIENCE AND TECHNOLOGY
AND OF HUMAN RESOURCES

Article 28 (Recommendations for Encouraging Public Institutions to Invest in Research and Development)

The Minister of Science and ICT may annually determine the size of investment in research and development for the following institutions, and recommend them to invest such amount in the research and development fields relating to the relevant projects: <Amended on Mar. 23, 2013; Jul. 26, 2017>

1. Public institutions under Article 4 of the Act on the Management of Public Institutions;
2. Institutions determined by the Minister of Science and ICT as the planner or implementer of any project with high-level application of advanced science and technology and with the potential to generate obvious industrial and economic spillover effects, among large-scale projects implemented by the State.

[This Article Wholly Amended on Jul. 26, 2010]

Article 28-2 (Request for Submission of Materials on the Amount of Mid- and Long-Term Investment in Research and Development)

The Minister of Science and ICT may request the heads of the relevant central administrative agencies to provide materials concerning the amount of mid- and long-term investment in research and development required for establishing the Government's target levels of investment in research and development and an action plan therefor to be reflected in the master plan pursuant to Article 21 (2) of the Act. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Newly Inserted on Mar. 28, 2011]

Article 29 (Opening of Fund Account)

- (1) The Minister of Science and ICT shall open a fund account in the Bank of Korea in order to ensure transparency of revenue and expenditures from the Science and Technology Promotion Fund under Article 22 of the Act (hereinafter referred to as the "Fund"). <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT may use up to 10/100 of the operating funds of the Fund for the purposes provided in Article 22 (3) 3 of the Act. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 30 (Funds for the Science and Technology Promotion Fund)

"Revenues prescribed by Presidential Decree" in Article 22 (2) 8 of the Act shall be as follows: <Amended on Jun. 24, 2011; Oct. 25, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>

1. Money transferred from other accounts and Funds;
2. Profit from the operation of assets in kind;
3. Revenues determined by the Minister of Science and ICT out of royalties prescribed in Article 11-4 (1) of the Act (limited to royalties for national research and development projects under the jurisdiction of the Minister of Science and ICT; excluding royalties from the broadcasting communications development fund prescribed in Article 24 of the Framework Act on Broadcasting Communications Development and the information and communications promotion fund prescribed in Article 41 of the Information and Communications Technology Industry Promotion Act).

[This Article Wholly Amended on Jul. 26, 2010]

Article 31 (Uses of the Science and Technology Promotion Fund)

- (1) "Contributions, investments or loans prescribed by Presidential Decree" in Article 22 (3) 2 of the Act means the following purposes:

1. Contributions to universities and research institutes;
 2. Contributions to, investments in or loans to enterprises.
- (2) Matters necessary for extension of loans, including interest rates for the loans referred to in paragraph (1) 2, shall be prescribed by the Minister of Science and ICT after consultation with the Minister of Economy and Finance. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

[Moved from Article 30-2 <Jul. 26, 2010>]

Article 32 (Development of Fund Operation Plans)

- (1) The Minister of Science and ICT shall develop a Fund operation plan containing the following matters for each fiscal year: <Amended on Mar. 23, 2013; Jul. 26, 2017>
1. Matters concerning Fund revenues and expenditures;
 2. Matters concerning Fund use plans;
 3. Other matters deemed necessary for the operation of the Fund by the Minister of Science and ICT.
- (2) Fund operation plans under paragraph (1) shall be approved by the President after deliberation by the State Council.

[This Article Wholly Amended on Jul. 26, 2010]

Article 33 (Fund Accounting Agency)

- (1) The Minister of Science and ICT shall appoint a Fund revenue collection officer, a Fund financial officer, a Fund disbursement officer and a Fund accounting official from among public officials under his or her control to conduct the affairs concerning Fund revenues and expenditures. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) Matters concerning the appointment of an accounting agency and the notification thereof to the agency entrusted with the affairs of the Fund operation and management under Article 34 shall be prescribed by Ordinance of the Ministry of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 34 (Entrustment of Affairs concerning Fund Operation and Management)

The Minister of Science and ICT shall entrust the National Research Foundation of Korea established under the National Research Foundation of Korea Act (hereinafter referred to as the "National Research Foundation of Korea") with the affairs concerning the operation and management of the Fund pursuant to Article 22 (4) of the Act. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 34-2 (Reporting and Disclosure of Information on Fund)

- (1) The President of the National Research Foundation of Korea shall report, to the Minister of Science and ICT, detailed monthly Fund operation results, including the operating status of the Fund entrusted pursuant to Article 34, selection of recipients of support from the Fund and provision of support, by the twentieth day of the month immediately following the last month of each quarter. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT shall disclose detailed Fund operation results reported under paragraph (1) at least once every six months. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Newly Inserted on Jul. 26, 2010]

Article 35 (Operation of Fund Surplus)

The Minister of Science and ICT, may operate surplus Fund as follows: <Amended on No. 22493, Nov. 15, 2010; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>

1. Deposit in a bank under Article 2 of the Banking Act, in a specialized credit finance company that has registered a new technology venture capital business prescribed in Article 3 of the Specialized Credit Finance Business Act, in a postal agency prescribed in the Postal Savings and Insurance Act, and in financial companies prescribed in other statutes;
2. Deposit in the Public Capital Management Fund pursuant to the Public Capital Management Fund Act;
3. Purchase of securities prescribed in Article 4 of the Financial Investment Services and Capital Markets Act.

[This Article Wholly Amended on Jul. 26, 2010]

Article 36 (Detailed Fund Operating Rules)

Except as otherwise provided in this Decree and Ordinance of the Ministry of Science and ICT, matters necessary for the operation, management, etc. of the Fund shall be prescribed by the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 37 (Training and Utilization of Human Resources in Science and Technology)

- (1) The Minister of Science and ICT shall formulate a forecast for mid- and long-term demand for and supply of human resources in science and technology every three years pursuant to Article 23 (1) 1 of the Act. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT may request relevant central administrative

agencies, research institutes, universities, and companies that participated in national research and development projects, etc. to submit necessary data to formulate a supply and demand forecast under paragraph (1). <Amended on Mar. 23, 2013; Jul. 26, 2017>

- (3) Institutions designated and publically announced by the Minister of Science and ICT from among following institutions shall become the institutions conducting technical training and further education for human resources in science and technology prescribed in Article 23 (3) of the Act: <Amended on Nov. 19, 2014; Jul. 26, 2017>
 1. The Korea Institute of Science and Technology Evaluation and Planning established pursuant to Article 20 of the Act;
 2. Other institutions deemed by the Minister of Science and ICT to be equipped with capabilities of conducting education of human resources in science and technology.
- (4) Institutions conducting technical training and further education for human resources in science and technology designated pursuant to paragraph (3), shall submit a plan for technical training and further education, including details of education and conducting methods to the Minister of Science and ICT by no later than January 31 every year. <Newly Inserted on Nov. 19, 2014; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 38 (Training and Utilization of Female Scientists and Engineers)

- (1) The Minister of Science and ICT shall devise schemes to train and utilize female scientists and engineers pursuant to Article 24 of the Act by hearing the opinions of the heads of the relevant central administrative agencies. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The schemes under paragraph (1) shall include the following matters:
 1. Matters concerning the planning and promotion of research and development projects relating to improvement of the competitiveness of female scientists and engineers;
 2. Matters concerning boosting the morale of female scientists and engineers;
 3. Matters concerning increase in employment of female scientists and engineers;
 4. Matters concerning fostering of female science and technology organizations;
 5. Matters concerning support for the agencies that train and utilize female scientists and engineers;
 6. Other important matters concerning training and utilization of female scientists and engineers.
- (3) A policy advisory organization for female scientists and engineers may be established under the Minister of Science and ICT in order to provide advice

requested by the said Minister. <Amended on Mar. 23, 2013; Jul. 26, 2017>
[This Article Wholly Amended on Jul. 26, 2010]

Article 39 (Discovery and Fostering of Scientific Talents)

- (1) The Minister of Science and ICT shall formulate plans for the discovery and fostering of scientific talents under Article 25 of the Act after hearing the opinions of the heads of the relevant central administrative agencies, and shall reflect them in the comprehensive plans for special education for brilliant children formulated under Article 3 (1) 1 of the Gifted Education Promotion Act for Brilliant Children. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) Plans for the discovery and fostering of scientific talents referred to in paragraph (1) shall include the following matters:
 1. Objectives of and direction for the discovery and fostering of scientific talents;
 2. Establishment or designation and utilization of educational institutions for scientific talents;
 3. Schemes for building linked operational systems between educational institutions for scientific talents;
 4. Development of programs relating to the fostering of scientific talents.
- (3) An agency to provide specialized support for the early discovery and fostering of scientific talents pursuant to Article 25 (2) of the Act (hereafter in this Article referred to as "specialized institution") shall be designated by the Minister of Science and ICT from among any of the following institutions, corporations or agencies: <Amended on Jun. 24, 2011; Mar. 23, 2013; Jul. 26, 2017>
 1. The Korea Foundation for the Advancement of Science and Creativity;
 2. Gifted education research institutes established or designated under Article 15 (1) of the Act on the Promotion of Specific Education for Brilliant Children;
 3. Institutions or organizations falling under any subparagraph of Article 14 (1) of the Basic Research Promotion and Technology Development Support Act.
- (4) Matters necessary for the designation of the specialized institutions shall be prescribed and publicly announced by the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

CHAPTER V

STRENGTHENING SCIENTIFIC AND TECHNOLOGICAL BASIS AND CREATION OF INNOVATIVE ENVIRONMENT

Article 40 (Establishment of Management and Distribution Systems for Knowledge

and Information regarding Science and Technology)

- (1) Knowledge and information in science and technology as well as national research and development projects to be produced, distributed, managed and utilized under Article 26 (1) of the Act, shall include domestically or internationally gathered information, academic journals and science and technological journals in the fields of science and technology, tasks relating to national research and development projects, information on relevant research outcomes, evaluation and coordination, technological and industrial information, patent information, information on human resources, facilities and equipment for research and development, information on technology transfer and practical use and information on the establishment of technology-intensive companies, etc. <Amended on Jan. 9, 2013; Nov. 19, 2014>
- (2) The Minister of Science and ICT shall reflect policies for the science and technology sector in implementing an action plan for intelligent information society under Article 7 of the Framework Act on Intelligent Informatization. <Amended on Dec. 8, 2020>
- (3) In order to ensure the efficient management and distribution of knowledge and information regarding science and technology, as well as national research and development projects, the Minister of Science and ICT may request the heads of central administrative agencies, heads of local governments, heads of enterprises, educational institutions or research institutes and heads of institutions and organizations related to science and technology to submit necessary materials therefor. <Amended on Mar. 28, 2011; Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (4) The heads of the relevant central administrative agencies shall formulate necessary measures to ensure evaluation of the value of knowledge and information regarding science and technology, as well as national research and development projects in the fields under their jurisdiction and appropriate protection of such knowledge and information.
- (5) A support agency referred to in Article 26 (3) of the Act (hereafter in this Article and Article 41 referred to as "support agency") means the Korea Institute of Science and Technology Information established under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes (hereinafter referred to as the "Korea Institute of Science and Technology Information"): Provided, That the Minister of Science and ICT may separately designate a support agency from among the institutions, corporations, or organizations referred to in any subparagraph of Article 26 (3), or institutions specialized in the planning and management of research and development projects, with respect to the fields of information, such as the results of surveys, analysis and evaluations of national research and development projects prescribed

in Article 12 of the Act, information regarding budget allocation and adjustment for national research and development projects prescribed in Article 12-2 (5) 3 of the Act, information regarding research and development facilities and equipment, industrial information, technology transfer information, patent information, weather information, atomic energy information that are the fields of information deemed efficient if managed and distributed by separate specialized agencies, in consultation with the heads of the relevant central administrative agencies. <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Jul. 26, 2017>

- (6) Where the Minister of Science and ICT has designated a support agency under the proviso of paragraph (5), he or she shall publicly announce the following matters in the Official Gazette: <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
 1. Name and address of the support agency;
 2. Date and effective period of designation;
 3. Types and scope of support affairs.
- (7) The heads of support agencies shall submit to the Minister of Science and ICT the business plans and fund execution plans for the relevant year, and the records of actual performance for the previous year, with respect to the management and distribution of knowledge and information regarding science and technology, as well as national research and development projects by no later than January 31 each year. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
- (8) Support affairs to be performed by the Korea Institute of Science and Technology Information under Article 26 (3) of the Act shall be as follows: <Amended on Mar. 28, 2011>
 1. Comprehensive collection and analysis of knowledge and information relating to domestic or overseas science and technology;
 2. Buildup, interconnection and joint use of databases containing knowledge and information on science and technology;
 3. Building up of the distribution system and the comprehensive management system for knowledge and information on science and technology;
 4. Standardization for the joint use of knowledge and information in science and technology;
 5. Provision of support to the formulation of comprehensive implementation policies and plans designed to facilitate the management and distribution of knowledge and information in science and technology;
 6. Other matters necessary for facilitating science and technology informatization.
- (9) The heads of support agencies shall submit the actual results of performing the assigned affairs, to the Minister of Science and ICT, by the tenth day of the month immediately following the last month of each quarter. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jul. 26, 2010]

Article 40-2 (Inspection and Analysis of Statistics and Indexes of Science and Technology)

- (1) The statistics and indexes of science and technology prescribed in Article 26-2 (1) of the Act, to be inspected and analyzed shall be as follows:
 1. Matters concerning activities and outcomes of research and development of science and technology at home and abroad;
 2. Matters concerning technology trade.
- (2) Statistics and indicators of science and technology for the analysis of differences according to gender and other characteristics pursuant to Article 26-2 (3) of the Act shall be as follows: <Newly Inserted on Nov. 23, 2021>
 1. Statistics and indicators related to researchers by major;
 2. Statistics and indicators related to researchers by industry;
 3. Statistics and indicators related to researchers for each entity performing the research;
 4. Statistics and indicators related to researchers by field of research and development;
 5. Other statistics and indicators for which it is deemed necessary to conduct character analysis, such as gender.
- (3) "Such materials as prescribed by Presidential Decree" in the former part of Article 26-2 (5) of the Act means the materials related to the payment and receipt of price of technology exported and imported. <Amended on Nov. 23, 2021>
- (4) The inspection of statistics and indexes of science and technology prescribed in paragraph (1) shall be conducted by field inspection, inspection of documents, survey, etc., and electronic means, such as information and communications, email, may be used. <Amended on Nov. 23, 2021>
- (5) Where necessary to efficiently conduct surveys and analyses under paragraph (1), the Minister of Science and ICT may request an institution or organization specialized in scientific and technological statistics, etc. to conduct surveys and analyses by entrusting such surveys and analyses to an institution or organization. <Newly Inserted on Aug. 27, 2024>

[This Article Newly Inserted on Nov. 19, 2014]

Article 41 (Establishment of National Science and Technology Standard Classification System)

- (1) A specialized agency under Article 27 (3) of the Act shall be the Evaluation and Planning Institute.
- (2) The President of the Evaluation and Planning Institute shall develop a plan for

creation of science and technology standard classification tables in an effort to establish the national science and technology standard classification system and shall notify it to the heads of respective support agencies engaged in research planning, evaluation and management for national research and development projects.

- (3) Upon receiving notification of the plan under paragraph (2), the heads of respective support agencies shall prepare science and technology standard classification tables in the fields under their jurisdiction and submit them to the President of the Evaluation and Planning Institute.
- (4) The President of the Evaluation and Planning Institute shall prepare a draft of the National Standard Classification Table for Science and Technology after compiling a science and technology standard classification table for each field submitted under paragraph (3) based on opinions gathered from the academic circles and organizations relating to science and technology and the Presidential Advisory Council on Science and Technology established under the Presidential Advisory Council on Science and Technology Act. <Amended on Mar. 23, 2013>
- (5) The Minister of Science and ICT shall prepare the National Standard Classification Table for Science and Technology based on the draft submitted under paragraph (4), finalize and make public announcement thereof after deliberation by the Presidential Advisory Council on Science and Technology. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
- (6) The Minister of Science and ICT shall research and analyze trends in science and technology classifications in developed countries, and revise and improve the National Standard Classification Table for Science and Technology every five years, in consideration of emergence of new technologies. <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Jul. 26, 2017>
- (7) The heads of the relevant central administrative agencies shall fully utilize the National Standard Classification Table for Science and Technology finalized under paragraph (5) in performing the following duties:
 1. Research planning, evaluation and management for national research and development projects;
 2. Science and technology forecast and evaluation on technological levels;
 3. Management and distribution of knowledge and information relating to science and technology.

[This Article Wholly Amended on Jul. 26, 2010]

Article 42 (Pursuing Establishment, Expansion and Sophistication of Facilities and Equipment for Research and Development)

- (1) The heads of the relevant central administrative agencies shall periodically

conduct surveys on the current status of facilities and equipment for research and development in order to efficiently facilitate the establishment, expansion, and sophistication, and management, operation, joint use and disposal (hereinafter referred to as "establishment, operation, etc.") of facilities and equipment for research and development pursuant to Article 28 (1) of the Act. <Amended on Dec. 22, 2015; Jun. 28, 2022>

- (2) The heads of the relevant central administrative agencies shall formulate the following plans based on findings from surveys conducted under paragraph (1) and shall reflect them in the mid- and long-term plans for national research and development projects: <Amended on Dec. 22, 2015; Jun. 28, 2022>
 1. Plans for establishment and expansion of the facilities and equipment for research and development, required for the relevant research and development projects;
 2. Plans for management, operation and joint use of facilities and equipment for research and development;
 3. Plans for sophistication of facilities and equipment for research and development;
 4. Plans for disposal of facilities and equipment for research and development.
- (3) The heads of the relevant central administrative agencies shall build efficient utilization systems for the facilities and equipment for research and development, such as operation of equipment cluster and the promotion of its joint use.
- (4) The Minister of Science and ICT shall take the following measures concerning plans referred to in each subparagraph of paragraph (2), and efficient utilization systems for the facilities and equipment for research and development referred to in paragraph (3), after consultation with the heads of the relevant central administrative agencies: <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Dec. 22, 2015; Jul. 26, 2017; Jun. 28, 2022>
 1. Formulation of plans for establishment, expansion, sophistication, etc. of the facilities and equipment for research and development: In such cases, the heads of the relevant central administrative agencies shall compile the plans formulated pursuant to paragraph (2) and the utilization systems built up pursuant to paragraph (3);
 2. Establishment and operation of a comprehensive information system for facilitating the management, operation and joint use of the facilities and equipment for research and development: In such cases, the Minister of Science and ICT shall determine and publicly notify the details concerning the establishment, operation, etc. of the comprehensive information system.
- (5) The heads of relevant administrative agencies may fully or partially subsidize expenses incurred by universities, research institutes and companies in

establishment, expansion and operation of the facilities and equipment for research and development. <Amended on Jun. 28, 2022>

- (6) Where the Minister of Science and ICT designates an institution to support the establishment, expansion, sophistication, etc. of the facilities and equipment for research and development under Article 28 (2) of the Act (hereafter in this Article referred to as "supporting institution for research and development facilities, etc."), the Minister shall designate one, from among the following corporations: <Amended on Mar. 28, 2011; Jan. 9, 2013; Mar. 23, 2013; Dec. 22, 2015; Jul. 26, 2017; Jun. 28, 2022>
1. Government-funded science and technology research institutes under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes;
 2. Specific research institutes under the Specific Research Institutes Support Act;
 3. The National Research Council of Science and Technology under the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes.
- (7) Where the Minister of Science and ICT has designated a supporting institution for research and development facilities, etc., the Minister shall publicly announce the following matters in the Official Gazette: <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Jun. 28, 2022>
1. Name and address of the supporting institution for research and development facilities, etc.;
 2. Date and effective period of designation;
 3. Types and scope of duties.
- (8) A supporting institution for research and development facilities, etc. shall perform duties concerning the following matters: <Amended on Dec. 22, 2015; Jun. 28, 2022>
1. Matters concerning provision of support with regard to the development of an efficient operation and management scheme for the facilities and equipment for research and development;
 2. Matters concerning provision of support with regard to the needs assessment, fact-finding surveys and analyses of the facilities and equipment for research and development;
 3. Matters concerning facilitation of the production, distribution, management and utilization of information on the facilities and equipment for research and development;
 4. Matters necessary to support the formulation and execution of policies relevant to establishment, operation, etc. of the facilities and equipment for research and development;

- 4-2. Matters necessary to facilitate the nurturing of human resources relevant to establishment, operation, etc. of the facilities and equipment for research and development;
 - 4-3. Matters necessary to facilitate the development of the facilities and equipment for research and development and to support growth of the relevant industry;
 - 5. Matters concerning provision of support with regard to creation of a road map for the facilities and equipment for research and development;
 - 6. Matters concerning standardization of the facilities and equipment for research and development;
 - 7. Other matters necessary for the establishment, expansion, etc. of the facilities and equipment for research and development.
- (9) The head of a supporting institution for research and development facilities, etc. shall submit business plans for the relevant year and records of actual performance for the previous year with respect to the affairs prescribed in paragraph (8) to the Minister of Science and ICT by no later than January 31 of each year. <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017; Jun. 28, 2022>
- [This Article Wholly Amended on Jul. 26, 2010]
- [Title Amended on Jun. 28, 2022]

Article 42-2 (Subjects of Standard Guidelines and Establishment Procedures Thereof)

- (1) The standard guidelines under Article 28 (3) of the Act (hereinafter referred to as "standard guidelines") shall apply to the management and operation, and joint use and disposal of the facilities and equipment for research and development which have been, or will be, established or expanded through projects supported by a central administrative agency's budget or funds for purposes of research and development of science and technology. <Amended on Jun. 28, 2022>
- (2) Where it is deemed necessary for the management and operation, and joint use and disposal of the facilities and equipment for research and development for national defense or national security, the Minister of Science and ICT may not apply the standard guidelines in consultation with the heads of the relevant central administrative agency notwithstanding paragraph (1). <Amended on Jul. 26, 2017>
- (3) To monitor performance relating to the management, operation and joint use and disposal of the facilities and equipment for research and development under paragraph (1), the Minister of Science and ICT shall conduct a fact-finding survey every year and notify the heads of the relevant administrative agency of its result. In such cases, he or she may request the heads of the relevant administrative agency to submit necessary materials. <Amended on Jul. 26, 2017>
- (4) If necessary for the establishment of the standard guidelines, the Minister of

Science and ICT may request the heads of the relevant administrative agencies, heads of enterprises, educational institutions or research institutes, heads of institutions and organizations related to science and technology to submit necessary materials. The same shall also apply where it is necessary to amend the standard guidelines. <Amended on Jul. 26, 2017>

[This Article Newly Inserted on Dec. 22, 2015]

Article 43 (Creation of and Support for Science Research Complexes)

- (1) A science research complex under Article 29 of the Act (hereinafter referred to as "science research complex") shall be created according to the procedures for designation and development of national industrial complexes, general industrial complexes or urban high-tech industrial complexes designated under the Industrial Sites and Development Act.
- (2) For innovation of national science and technology and promotion of local science and technology, the Minister of Science and ICT may designate a science research complex, after consultation with the heads of the relevant central administrative agencies, primarily, in areas in which at least two of the following agencies are located: <Amended on Jun. 24, 2011; Mar. 23, 2013; Jul. 26, 2017>
 1. Research institutes to which the Specific Research Institutes Support Act and the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes apply;
 2. Universities, industrial colleges, junior colleges, and technical colleges established under the Higher Education Act;
 3. National and public research institutes;
 4. Corporate-affiliated research institutes and industrial technology research cooperatives established under Article 14 of the Basic Research Promotion and Technology Development Support Act.
- (3) The heads of the relevant central administrative agencies shall provide support, with priority, for the following matters, to universities, research institutes, companies, etc. located within the science research complexes designated under paragraphs (1) and (2) (hereinafter referred to as "occupant institutions"): <Amended on Nov. 19, 2014>
 1. National research and development projects under Article 11 of the Act;
 2. Support for scientific and technological innovation in the private sector under Article 16 of the Act;
 - 2-2. Dissemination of research and development outcomes, and transfer and commercialization of technologies under Article 16-3 of the Act;
 3. Mutual exchanges among scientists and engineers under Article 17 (3) of the Act;

4. Facilitation of internationalization of science and technology, including conducting international collaborative research under Article 18 of the Act;
 5. Subsidization through the Fund under Article 22 of the Act;
 6. Nurturing and utilization of human resources in science and technology under Article 23 of the Act;
 7. Establishment of a system for the management and distribution of knowledge and information in science and technology as well as national research and development projects under Article 26 of the Act;
 8. Upgrading the facilities and equipment for research and development under Article 28 of the Act;
 9. Other matters deemed necessary to increase exchanges and cooperation among occupant institutions.
- (4) Where the heads of the relevant central administrative agencies provide support to science research complexes under paragraph (3), they shall provide support appropriate for the conditions of each science research complex in comprehensive consideration of progress in establishing a science research complex, the number of occupant institutions, their characteristics, the level of their innovative activities in science and technology, and other similar matters.
- (5) The head of a local government who intends to obtain a subsidy prescribed in Article 29 (2) of the Act shall submit to the head of the relevant central administrative agency an application for subsidy, along with the following documents by no later than April 30 each year:
1. Development plan for a science research complex;
 2. Statements on project requirements;
 3. Other documents necessary for the request for a subsidy budget.
- [This Article Wholly Amended on Jul. 26, 2010]

Article 44 (Granting of Contributions)

- (1) Where the institutions or organizations falling under the subparagraphs of Article 30 (2) of the Act (hereinafter referred to as "institutions, etc.") and the corporations or organizations prescribed in Article 33 (3) of the Act (hereinafter referred to as "corporations, etc."), intend to obtain the contribution or subsidy prescribed in Articles 30 (3), 30-2 (5), and 33 (2) of the Act, they shall submit requests for government budget for the following year to the Minister of Education (limited to expenses incurred by the institutions or organizations in performing projects under Article 30 (3) of the Act in cases of a request to the Minister of Education; hereafter in this Article the same shall apply) or to the Minister of Science and ICT by no later than April 30 each year together with the following documents: <Amended on Mar. 23, 2013; Nov. 19, 2014; Nov. 19, 2014; Jul. 26, 2017; Jan. 5, 2021>

1. A business plan for a subsequent year;
 2. An estimated statement of financial position and income statement for a subsequent year;
 3. Other documents required for a request for budget.
- (2) Where institutions, etc. or corporations, etc. intend to obtain contributions or subsidies, they shall submit an application therefor to the Minister of Education or the Minister of Science and ICT, along with quarterly business plans and quarterly budget execution plans. <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (3) Where the quarterly business plans and quarterly budget execution plans are deemed reasonable, the Minister of Education or the Minister of Science and ICT shall grant contributions or subsidies accordingly. <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (4) Upon receiving government contributions or subsidies, institutions, etc. or corporation, etc. shall quarterly report actual business performance to the Minister of Education or the Minister of Science and ICT. <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
- (5) Upon receiving government contributions or subsidies, institutions, etc. or corporations, etc. shall submit a statement of settlement of revenue and expenditure accounts for each business year to the Minister of Education or the Minister of Science and ICT by no later than March 31 of the following year, along with the following documents: <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017; Jan. 5, 2021>
1. Business performance report for the relevant year with comparison to the business plans;
 2. Statement of financial position and income statement for the relevant year;
 3. Other documents required for settlement of accounts.

[This Article Wholly Amended on Jul. 26, 2010]

Article 45 (Gratuitous Transfer of State Property)

- (1) The gratuitous transfer or loan of State property prescribed in Article 30-2 (6) of the Act shall be governed by a contract between the managing authority of the relevant State property and the Korea Foundation for the Advancement of Science and Creativity. <Amended on Nov. 19, 2014>
- (2) Where the Korea Foundation for the Advancement of Science and Creativity has used State property gratuitously transferred or loaned under paragraph (1) for purposes other than those for the relevant transfer or loan, the managing authority of State property may terminate or revoke the relevant transfer or loan contract.

[This Article Wholly Amended on Jul. 26, 2010]

Article 46 (Support for Practical Use of Research and Development Outcomes)

The heads of the relevant central administrative agencies may provide the following support in order to facilitate the practical use of research and development outcomes pursuant to Article 31 (3) of the Act:

1. Support for the operation of a department in exclusive charge of facilitating the practical use by national or public research institutes, universities and government-funded research institutes (hereinafter referred to as "research institutes, etc.");
2. Fostering technology start-up fosterage centers with the purpose of providing support for facilities, places, technologies, information, etc. to a founder in order to promote and foster the start-up of technology-intensive companies;
3. Loan mediation of start-up funds and management consulting;
4. Support for technology, information, facilities, sites and equipment retained by research institutes, etc.;
5. Reduction of or exemption from the royalties incurred by technological implementation of the industrial property rights, etc. retained by research institutes, etc.

[This Article Wholly Amended on Jul. 26, 2010]

Article 47 (Registration of Scientists and Engineers)

- (1) The Minister of Science and ICT shall entrust the following institutions with registration of scientists and engineers under Article 31 (4) of the Act: <Amended on Mar. 28, 2011; Mar. 23, 2013; Jul. 26, 2017>
 1. The National Research Foundation of Korea;
 2. The Planning and Evaluation Institute;
 3. The Korea Foundation for the Advancement of Science and Creativity;
 4. The Korea Institute of Science and Technology Information;
 5. Other corporations determined by the Minister of Science and ICT among corporations established under Article 32 of the Civil Act and the Act on the Establishment and Operation of Public Interest Corporations.
- (2) Persons eligible for registration as scientists and engineers under Article 31 (4) of the Act shall be the following persons:
 1. Persons who hold master's or higher degrees in science and engineering from Korean or foreign universities, or persons who have expertise equivalent to or higher than such degrees and who are conducting or have conducted research and development activities;
 2. Persons who have received an award in science and technology fields hosted or sponsored by the Government, or who have received an award at an international academic convention.

- (3) A person who desires to be registered as scientist and engineer among those falling under any subparagraph of paragraph (2) shall submit an application for registration, stating the following matters, to an institution entrusted by the Minister of Science and ICT under paragraph (1): <Amended on Mar. 23, 2013; Jul. 26, 2017>
1. Personal details and the principal place of work;
 2. Matters concerning education, academic degrees and qualifications;
 3. Matters concerning career history and major activities relating to science and technology;
 4. Matters concerning research performance, award and decoration and acquisition of intellectual property rights;
 5. Other matters concerning major research activities determined by the Minister of Science and ICT.
- (4) Upon receiving an application for registration, the institution entrusted under paragraph (1) shall notify the applicant and the head of the relevant central administrative agency of whether he or she is granted the registration as scientist and engineer, and shall compile into a database, and manage, the registered information.
- (5) Upon receiving a notice of registration under paragraph (4), the head of the relevant central administrative agency shall take necessary measures to promote preferential treatment and expand job opportunities for the registered scientist and engineers and increase their participation in the utilization and exchange of human resources, etc.

[This Article Wholly Amended on Jul. 26, 2010]

Article 48 (Fostering and Evaluation of Government-Funded Research Institutes)

- (1) Matters to be evaluated in relation to government-funded research institutes, etc. prescribed in Article 32 (3) of the Act (hereinafter referred to as "government-funded research institutes, etc.") shall be as follows: Provided, That the evaluation of the Research Council and its affiliated research institutes shall be performed pursuant to the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutes: <Amended on Mar. 23, 2013; Nov. 19, 2014; Jul. 26, 2017>
1. Duties of institutes and strategic quality of their long-term development goals;
 2. Professionalism in carrying out research and projects;
 3. Efficiency in management of institutes;
 4. Excellence in the outcomes of research and projects;
 5. Other matters deemed necessary by the Minister of Science and ICT for the development of government-funded research institutes, etc.

- (2) "Affiliated government-funded research institutes, etc. prescribed by Presidential Decree" in the main clause of Article 32 (3) of the Act means any of the following: <Amended on Oct. 25, 2011; Jun. 29, 2012; Jan. 9, 2013; Mar. 23, 2013; Nov. 19, 2014; Sep. 25, 2015; Jul. 26, 2017>
1. The Agency for Defense Development established under the Act on the Agency for Defense Development;
 2. The Korea Advanced Institute of Science and Technology established under the Korea Advanced Institute of Science and Technology Act;
 3. The Gwangju Institute of Science and Technology established under the Gwangju Institute of Science and Technology Act;
 4. The Daegu Gyeongbuk Institute of Science and Technology established under the Daegu Gyeongbuk Institute of Science and Technology Act;
 - 4-2. Ulsan National Institute of Science and Technology established under the Ulsan National Institute of Science and Technology Act;
 - 4-3. The Korea Institute of Ocean Science and Technology established under the Korea Institute of Ocean Science and Technology Act;
 5. The Korea Institute of Radiological and Medical Sciences established under Article 13-2 of the Radiation and Radioisotope Use Promotion Act;
 6. The Korea Institute of Nuclear Safety established under the Korea Institute of Nuclear Safety Act;
 7. The Korea Institute of Nuclear Nonproliferation and Control established under Article 6 of the Nuclear Safety Act;
 - 7-2. The Institute for Basic Science established under Article 14 of the Special Act on Establishment of and Support for International Science and Business Belts;
 8. Other institutes deemed necessary by the Minister of Science and ICT.
- (3) The heads of the relevant central administrative agencies shall fully reflect the outcomes of the evaluation under paragraph (1) in relevant policies and projects in order to efficiently nurture their affiliated government-funded research institutes, etc.

[This Article Wholly Amended on Jul. 26, 2010]

Article 49 (Non-Profit Science and Technology Corporations or Organizations to Be Fostered)

The corporations or organizations to be fostered pursuant to Article 33 (3) of the Act shall be as follows: <Amended on Jan. 17, 2011; Jun. 24, 2011; Mar. 23, 2013; Jun. 21, 2016; Jul. 26, 2017>

1. The Korea Engineering and Consulting Association established under Article 33 of the Engineering Industry Promotion Act;

2. The Korean Professional Engineers Association established under Article 14 of the Professional Engineers Act;
3. The Korean Academy of Science and Technology established under Article 9 of the Basic Research Promotion and Technology Development Support Act;
4. The Korean Association for Radiation Application established under Article 14 of the Radiation and Radioisotope Use Promotion Act;
5. The following corporations or organizations established upon obtaining permission from the head of a relevant central administrative agency pursuant to Article 32 of the Civil Act and the Act on the Establishment and Operation of Public Interest Corporations:
 - (a) The Korean Federation of Science and Technology Societies;
 - (b) The Korea Industrial Technology Association;
 - (c) Any other corporation or organization designated by the Minister of Science and ICT, as prescribed by Ordinance of the Ministry of Science and ICT.

[This Article Wholly Amended on Jul. 26, 2010]

Article 50 (Measures to Improve Regulation on Science and Technology)

- (1) In accordance with Article 35 (1) of the Act, the Minister of Science and ICT shall formulate measures to improve the science- and technology-related regulation (hereinafter referred to as "improvement measures") by annually evaluating the science- and technology-related regulation of relevant central administrative agencies and formulating policies to improve regulation on scientific and technological innovation, and finalize the improvement measures after deliberation by the Presidential Advisory Council on Science and Technology. <Amended on Jul. 26, 2017; Apr. 17, 2018>
- (2) The heads of relevant central administrative agencies shall promote matters under their jurisdiction according to improvement measures.
- (3) The Minister of Science and ICT shall, every year, examine the outcomes of promotion of improvement measures taken by relevant central administrative agencies. <Amended on Jul. 26, 2017>

[This Article Newly Inserted on Nov. 19, 2014]

ADDENDA <Presidential Decree No. 17303, Jul. 16, 2001>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 17, 2001.

Article 2 (Repealed Statutes or Regulations)

The Enforcement Decree of the Special Act on Innovation in Science and Technology and the Enforcement Decree of the Science and Technology Promotion Act are hereby repealed, respectively.

Article 3 Omitted.

Article 4 (Relationship with Other Statutes or Regulations)

A citation to the Enforcement Decree of the Special Act on Innovation in Science and Technology and the Enforcement Decree of the Science and Technology Promotion Act in other statutes or regulations as at the time this Decree enters into force shall be deemed a citation to the corresponding provisions of this Act, if any, in lieu of the former provisions.

ADDENDUM <Presidential Decree No. 17640, Jun. 25, 2002>

This Decree shall enter into force on the date of its promulgation.

ADDENDA <Presidential Decree No. 17824, Dec. 30, 2002>

Article 1 (Enforcement Date)

This Decree shall enter into force on January 1, 2003. (Proviso Omitted.)

Articles 2 through 6 Omitted.

ADDENDA <Presidential Decree No. 17896, Jan. 29, 2003>

(1) (Enforcement Date) This Decree shall enter into force on the date of its promulgation.

② 생략 과학기술기본법시행령중 다음과 같이 개정한다.

제27조제1항제4호중 "국제과학기술협력규정 제17조"를 "국제과학기술협력규정 제2조제2호"로 한다.

ADDENDUM <Presidential Decree No. 18069, Jul. 29, 2003>

This Decree shall enter into force on the date of its promulgation.

ADDENDA <Presidential Decree No. 18308, Mar. 9, 2004>

Article 1 (Enforcement Date)

This Decree shall enter into force on March 12, 2004.

Article 2 Omitted.

ADDENDUM <Presidential Decree No. 18431, Jun. 19, 2004>

This Decree shall enter into force on the date of its promulgation.

ADDENDUM <Presidential Decree No. 18595, Dec. 3, 2004>

This Decree shall enter into force on the date of its promulgation.

ADDENDA <Presidential Decree No. 18873, Jun. 23, 2005>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 19142, Nov. 30, 2005>

- (1) (Enforcement Date) This Decree shall enter into force on December 1, 2005.
- (2) Omitted.

ADDENDA <Presidential Decree No. 19321, Feb. 8, 2006>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 5 Omitted.

ADDENDUM <Presidential Decree No. 19411, Mar. 29, 2006>

This Decree shall enter into force on March 31, 2006.

ADDENDA <Presidential Decree No. 19513, Jun. 12, 2006>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2006.

Articles 2 through 4 Omitted.

ADDENDA <Presidential Decree No. 19582, Jun. 30, 2006>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2006.

Articles 2 through 4 Omitted.

ADDENDA <Presidential Decree No. 19785, Dec. 29, 2006>

- (1) (Enforcement Date) This Decree shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 21-3 shall enter into force on January 1, 2007.
- (2) (Applicability to Conduct of Prior Feasibility Studies of National Research and Development Projects) The amended provisions of Article 21-3 shall apply beginning with the first project subject to a prior feasibility study conducted on or after the date this Decree enters into force.

ADDENDA <Presidential Decree No. 19815, Dec. 30, 2006>

Article 1 (Enforcement Date)

This Decree shall enter into force on January 1, 2007.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 19929, Mar. 16, 2007>

Article 1 (Enforcement Date)

This Decree shall enter into force on March 27, 2007.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Presidential Decree No. 20740, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 13 Omitted.

ADDENDA <Presidential Decree No. 20947, Jul. 29, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on February 4, 2009. (Proviso Omitted.)

Articles 2 through 27 Omitted.

ADDENDA <Presidential Decree No. 20979, Aug. 27, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on September 6, 2008.

Article 2 Omitted.

Article 3 Omitted.

ADDENDA <Presidential Decree No. 20993, Sep. 10, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 Omitted.

ADDENDA <Presidential Decree No. 21162, Dec. 12, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on December 14, 2008.

Article 2 Omitted.

ADDENDA <Presidential Decree No. 21214, Dec. 31, 2008>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 21515, May 29, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

Article 2 Omitted.

Article 3 Omitted.

ADDENDA <Presidential Decree No. 21551, Jun. 25, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on June 26, 2009.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Presidential Decree No. 21698, Aug. 21, 2009>

Article 1 (Enforcement Date)

This Decree shall enter into force on August 23, 2009.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Presidential Decree No. 22075, Mar. 15, 2010>

Article 1 (Enforcement Date)

This Decree shall enter into force on March 19, 2010. (Proviso Omitted.)

Article 2 Omitted.

ADDENDUM <Presidential Decree No. 22299, Jul. 26, 2010>

This Decree shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 24-2 shall enter into force on August 5, 2010.

ADDENDA <Presidential Decree No. 22493, Nov. 15, 2010>

Article 1 (Enforcement Date)

This Decree shall enter into force on November 18, 2010.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 22626, Jan. 17, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 6 Omitted.

ADDENDA <Presidential Decree No. 22720, Mar. 28, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on March 28, 2011.

Article 2 (Transitional Measures concerning Acts Done by the Council)

- (1) Any act done by the Minister of Education, Science and Technology, such as determination, requests for submission of materials, commissioning, and entrustment, or any act done in relation to the Minister of Education, Science and Technology, with respect to mid- and long-term policy objectives, etc., for the development of science and technology, commissioning of members for the Consultation Committee on Regional Science and Technology Promotion, technology impact assessment, technological level evaluation, commissioning of members for the Consultation Committee on Basic Science Research Promotion, entrustment to the Korea Institute of Science and Technology Evaluation and Planning of the management affairs related to research planning, surveys and analyses, creation of management and distribution systems for knowledge, information, etc. in science and technology, and upgrading of facilities and equipment for research and development under former Articles 3, 15, 23, 24, 24-2, 27, 40, and 42 as at the time this Decree enters into force shall be deemed an act done by or in relation to the Council under this Decree.
- (2) Matters which the Operation Committee has deliberated on or reported pursuant to the former provisions as at the time this Decree enters into force shall be deemed those which the Operation Committee has deliberated on or reported pursuant to the amended provisions of Article 11.

ADDENDA <Presidential Decree No. 22977, Jun. 24, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

ADDENDA <Presidential Decree No. 23248, Oct. 25, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on October 26, 2011.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Presidential Decree No. 23249, Oct. 25, 2011>

Article 1 (Enforcement Date)

This Decree shall enter into force on October 26, 2011.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 23912, Jun. 29, 2012>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2012.

Article 2 Omitted.

ADDENDA <Presidential Decree No. 24308, Jan. 9, 2013>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 (Applicability to Change in Correction or Supplementation Period for National Standard Classification Table for Science and Technology)

The amended provisions of Article 41 (6) shall also apply to the National Standard Classification Table for Science and Technology that has been publicly announced and in force before this Decree enters into force.

ADDENDA <Presidential Decree No. 24474, Mar. 23, 2013>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 Omitted.

ADDENDA <Presidential Decree No. 25393, Jun. 25, 2014>

Article 1 (Enforcement Date)

This Decree shall enter into force on June 29, 2014.

Article 2 Omitted.

ADDENDUM <Presidential Decree No. 25729, Nov. 19, 2014>

This Decree shall enter into force on November 29, 2014.

ADDENDA <Presidential Decree No. 25751, Nov. 19, 2014>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation: Provided, That the amended parts of Presidential Decrees promulgated before this Decree enters into force, the enforcement date of which has not yet arrived, from among Presidential Decrees amended pursuant to Article 5 of Addenda shall enter into force on the date of enforcement of respective Presidential Decrees.

Articles 2 through 5 Omitted.

ADDENDA <Presidential Decree No. 26551, Sep. 25, 2015>

Article 1 (Enforcement Date)

This Decree shall enter into force on September 28, 2015.

Article 2 Omitted.

ADDENDUM <Presidential Decree No. 26732, Dec. 22, 2015>

This Decree shall enter into force on December 23, 2015.

ADDENDA <Presidential Decree No. 27231, Jun. 21, 2016>

Article 1 (Enforcement Date)

This Decree shall enter into force on June 23, 2016: Provided, That the amended provisions of Article 13 (2) and subparagraph 4 of Article 49 shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures concerning Designation as Specialized Agency)

- (1) An agency designated as the creative economy innovation center pursuant to Article 20 (1) of the previous Regulations on the Establishment and Operation of the Public-Private Creative Economy Committee as at the time this Decree enters into force shall be deemed designated as the creative economy innovation center pursuant to the amended provisions of Article 24-3.
- (2) A person appointed as the head of a creative economy innovation center pursuant to Article 20 (3) of the previous Regulations on the Establishment and Operation of the Public-Private Creative Economy Committee as at the time this Decree enters into force shall be deemed appointed as the head of a creative economy innovation center pursuant to the amended provisions of Article 24-4 (2).

ADDENDA <Presidential Decree No. 27294, Jun. 30, 2016>

Article 1 (Enforcement Date)

This Decree shall enter into force on July 1, 2016.

Article 2 (Applicability concerning Allocation and Adjustment of Budget for National Research and Development Projects)

The amended provisions of Article 21 (3) shall apply beginning with national research and development projects of 2018.

ADDENDA <Presidential Decree No. 28210, Jul. 26, 2017>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Articles 2 through 6 Omitted.

ADDENDUM <Presidential Decree No. 28800, Apr. 17, 2018>

This Decree shall enter into force on April 17, 2018.

ADDENDA <Presidential Decree No. 30117, Oct. 8, 2019>

Article 1 (Enforcement Date)

This Decree shall enter into force on the date of its promulgation.

Article 2 Omitted.**ADDENDA <Presidential Decree No. 30436, Feb. 18, 2020>****Article 1 (Enforcement Date)**

This Decree shall enter into force on February 21, 2020.

Article 2 Omitted.**Article 3 Omitted.****ADDENDA <Presidential Decree No. 31220, Dec. 8, 2020>****Article 1 (Enforcement Date)**

This Decree shall enter into force on December 10, 2020.

Articles 2 through 6 Omitted.**ADDENDUM <Presidential Decree No. 31253, Dec. 10, 2020>**

This Decree shall enter into force on December 10, 2020.

ADDENDUM <Presidential Decree No. 31380, Jan. 5, 2021>

This Decree shall enter into force on the date of its promulgation. (Proviso Omitted.)

ADDENDUM <Presidential Decree No. 31995, Sep. 24, 2021>

This Decree shall enter into force on the date of its promulgation.

ADDENDUM <Presidential Decree No. 32137, Nov. 23, 2021>

This Decree shall enter into force on the date of its promulgation.

ADDENDA <Presidential Decree No. 32726, Jun. 28, 2022>**Article 1 (Enforcement Date)**

This Decree shall enter into force on June 29, 2022: Provided, That the amended provisions of Articles 4, 42, and 42-2 shall enter into force on July 12, 2022.

Article 2 Omitted.**ADDENDUM <Presidential Decree No. 32990, Nov. 15, 2022>**

This Decree shall enter into force on December 11, 2022.

ADDENDUM <Presidential Decree No. 34108, Jan. 9, 2024>

This Decree shall enter into force on the date of its promulgation.

ADDENDUM «Presidential Decree No. 34854, Aug. 27, 2024»

This Decree shall enter into force on the date of its promulgation.

Annex 2.

Special Act on Promotion of Special Research and Development Zones

Act No. 11232, Jan. 26, 2012
Amended by Act No. 11713, Mar. 23, 2013
Act No. 12215, Jan. 7, 2014
Act No. 12248, Jan. 14, 2014
Act No. 12678, May 28, 2014
Act No. 13122, Feb. 3, 2015
Act No. 13212, Mar. 11, 2015
Act No. 13231, Mar. 27, 2015
Act No. 13482, Aug. 11, 2015
Act No. 13805, Jan. 19, 2016
Act No. 13782, Jan. 19, 2016
Act No. 13797, Jan. 19, 2016
Act No. 14183, May 29, 2016
Act No. 14480, Dec. 27, 2016
Act No. 14569, Feb. 8, 2017
Act No. 14839, Jul. 26, 2017
Act No. 15309, Dec. 26, 2017
Act No. 15344, Jan. 16, 2018
Act No. 15562, Apr. 17, 2018
Act No. 16017, Dec. 24, 2018
Act No. 16172, Dec. 31, 2018
Act No. 17171, Mar. 31, 2020
Act No. 17219, Apr. 7, 2020
Act No. 17349, Jun. 9, 2020
Act No. 17359, Jun. 9, 2020
Act No. 17347, Jun. 9, 2020
Act No. 17598, Dec. 8, 2020

Act No. 17675, Dec. 22, 2020
Act No. 17675, Dec. 22, 2020
Act No. 18075, Apr. 20, 2021
Act No. 18074, Apr. 20, 2021
Act No. 18650, Dec. 28, 2021
Act No. 18733, Jan. 11, 2022
Act No. 19117, Dec. 27, 2022
Act No. 19237, Mar. 21, 2023
Act No. 20062, Jan. 23, 2024

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to promote special research and development zones, thereby accelerate the research and development by colleges, research institutes and companies in the regions, invigorate mutual cooperation and support the commercialization of outcomes from the research and development as well as business start-ups, contributing to technological innovation and economic development of the Republic of Korea.

Article 2 (Definitions)

The terms used in this Act are defined as follows: <Amended on Mar. 23, 2013; Jul. 26, 2017; Jun. 22, 2020; Dec. 22, 2020; Mar. 21, 2023>

1. The term “special research and development zone” (hereinafter referred to as “special zone”) means a zone designated under Article 4 to create new technology through research and development projects, disseminate outcomes of research and development projects, and promote commercialization thereof;
2. The term “commercialization” means commercialization as defined in subparagraph 3 of Article 2 of the Technology Transfer and Commercialization Promotion Act;
3. The term “advanced technology enterprise” means any enterprise designated under Article 9, among companies located in a special zone, which produces and sells products in the field of technology with high technology intensity and rapid pace of technical innovation, such as information and communications technology, biotechnology, and nano-technology;
4. The term “government-funded research institute” means a research institute governed by the Support of Specific Research Institutes Act or a research institute established pursuant to the Act on the Establishment, Operation and

Fostering of Government-Funded Science and Technology Research Institutions;

5. The term “public research institute” means any of the following institutes:
 - (a) A national research institute;
 - (b) A Government-funded research institute;
 - (c) Any other research institutes prescribed by Presidential Decree, among research and development-related corporations established pursuant to any other statute;
6. The term “research-based spin-off company” means an enterprise established in a special zone and registered under Article 9-3 (2), which has the purpose of directly commercializing the technology of public research institutes;
7. The term “foreigner” means a person as defined in Article 2 (1) 1 of the Foreign Investment Promotion Act;
8. The term “foreign-invested company” means a company as defined in Article 2 (1) 6 of the Foreign Investment Promotion Act;
9. The term “foreign research institute” means a research institute in which a foreign investor or foreign-invested company has invested pursuant to the Foreign Investment Promotion Act to perform research and development projects;
10. The term “resident institute” means an entity that has entered into a contract with the relevant management agency to move into a special zone under Article 37 and an entity that has entered into a contract with the relevant management agency to move into a special zone pursuant to Article 38 of the Industrial Cluster Development and Factory Establishment Act;
11. The term “new technology” means a technology developed for the first time in the Republic of Korea or an excellent technology developed by innovatively upgrading or improving existing technologies;
12. The term “test bed” means an environment, system, or equipment which can be used to test a new technology as well as the performance and effects of a new service or product using a new technology.
13. The term “regulatory exemptions for demonstration” means that all or part of the regulations are not applied to the limited test, evaluation, and technical verification conducted directly at the site to check the safety, etc. of the relevant new technology (hereinafter referred to as “demonstration”), where an implementation thereof is difficult because it is impossible to apply for permission, approval, certification, verification, authorization, registration, reporting, designation, consent, consultation, etc. (hereinafter referred to as “permission, etc.”) under other statutes or regulations; the standards, specifications, requirements, etc. do not exist in the statutes or regulations governing permission, etc.; or it is unclear or unreasonable to apply the

standards, specifications, requirements, etc. under the statutes or regulations, in the course of research and development for the purpose of creating new technology;

14. The term “temporary permission” means granting permission, etc. temporarily for a specified period if the safety verification is completed, where the standards, specifications, requirements, etc. do not exist in the statutes or regulations, or where it is unclear or unreasonable to apply the standards, specifications, requirements, etc. under the statutes and regulations, which are governing the permission, etc. granted for the new services or products utilizing new technologies (hereinafter referred to as “services or products of new technologies”).

[This Article Wholly Amended on Jan. 26, 2012]

Article 3 (Relationship to Other Statutes)

- (1) The provisions that specify special cases in this Act in order to relax regulations shall take precedence over other statutes; provided,, where provisions that relax regulations more than the provisions of this Act exist in any other statute, such provisions shall prevail over the provisions of this Act. <Amended on Mar. 27, 2015>
- (2) The special zone management plans under Article 34 shall take precedence over the plans under other statutes: Provided, That the foregoing shall not apply to the comprehensive national land plan under Article 6 (2) 1 of the Framework Act on the National Land, the basic urban or Gun plans under subparagraph 3 of Article 2 of the National Land Planning and Utilization Act, the master plan for the management of protection zones, etc. under Article 16 of the Protection of Military Bases and Installations Act, and the master plan for international science and business belts under Article 8 of the Special Act on Establishment of and Support for International Science and Business Belt. <Added on Mar. 27, 2015>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Mar. 27, 2015]

Article 3-2 (Responsibilities of the State and Local Governments)

The State and local governments shall secure a budget necessary to promote the development of special zones and the coordination and cooperation among special zones, and shall formulate and implement relevant policies.

[This Article Added on Jan. 26, 2012]

Article 3-3 (Permit-First-Regulate-Later Principle)

- (1) In principle, the State and local governments shall permit demonstration in special zones: Provided, That the demonstration of new technologies may be restricted if it

threatens the lives and safety of the people or impairs the environment. <Amended on Mar. 21, 2023>

- (2) The State and local governments shall endeavor to promote the demonstration of new technologies and to ensure that related statutes, regulations, and systems under their authority are improved in conformity with the principle provided for in paragraph (1).

[This Article Added on Jun. 9, 2020]

CHAPTER II DESIGNATION OF SPECIAL ZONES

Article 4 (Designation of Special Zones)

- (1) The Minister of Science and ICT may, where necessary, designate a special zone upon taking the following steps: <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
 1. Hearing the opinion of the competent Special Metropolitan City Mayor, Metropolitan City Mayor, Special Self-Governing City Mayor, Do Governor, or Special Self-Governing Province Governor (hereinafter referred to as a “Mayor/Do Governor”);
 2. Consulting with the heads of related central administrative agencies;
 3. Deliberating and adopting a resolution by the Committee for Special Research and Development Zones established under Article 7.
- (2) Requirements for designation of a special zone under paragraph (1) or (5) shall be as follows:
 1. Universities, research institutes and companies that perform national research and development projects shall be correlated with each other and clustered in a special zone;
 2. The conditions of a special zone shall be adequate for commercializing outcomes produced from research and development projects performed by institutions specified in subparagraph 1 as well as for starting up new venture businesses;
 3. A special zone has higher level of contribution to the innovation of science and technology than other areas;
 4. The conditions of a special zone shall be adequate for attracting foreign universities, foreign research institutes, and foreign-invested companies.
- (3) If a Mayor/Do Governor finds that an area within his or her jurisdiction meets the requirements for designation under paragraph (2) and it is necessary to designate the area as a special zone, he or she may first hold a public hearing to

hear opinions thereon from residents, related experts, etc. and then request the Minister of Science and ICT to designate the area as a special zone: Provided, That if a prospective zone extends over areas within the jurisdiction of at least two local governments, such as the Special Metropolitan City, a Metropolitan City, Special Self-Governing City, Do, or Special Self-Governing Province, the relevant Mayors/Do Governors shall jointly request the Minister of Science and ICT to designate such areas as a special zone. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>

- (4) When a Mayor/Do Governor intends to request the designation of a special zone pursuant to paragraph (3), he or she shall prepare and submit the following documents: <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
 1. A document necessary for a comprehensive plan to promote the special zone formulated under Article 6, as prescribed by Ministerial Decree of Science and ICT;
 2. A special zone development plan including the matters specified in each subparagraph of Article 6-2 (2).
- (5) Upon receipt of a request from a Mayor/Do Governor to designate a special zone under paragraph (3), the Minister of Science and ICT may designate the special zone upon taking the steps prescribed in paragraph (1) 2 and 3. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (6) Matters necessary for further details of requirements under paragraph (2) 1 through 4 shall be prescribed by Presidential Decree.
- (7) When the Minister of Science and ICT designates a special zone under paragraph (1) or (5), he or she shall give public notice of the details thereof in the Official Gazette and shall notify the heads of related central administrative agencies and the competent Mayor/Do Governor thereof without delay, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
- (8) Upon receipt of notice given under paragraph (7), a Mayor/Do Governor shall make the details thereof available to the general public for inspection for at least 14 days.

[This Article Wholly Amended on Jan. 26, 2012]

Article 4-2 (Change of Special Zones)

- (1) Where a Mayor/Do Governor deems that it is necessary to change a designated special zone (excluding cancellation of the designation of a special zone under Article 5; hereinafter the same shall apply) in his or her jurisdiction within the extent prescribed by Presidential Decree, he or she may first hold a public hearing to hear opinions thereon from residents, related experts, etc. and then request the Minister of Science and ICT to change the special zone: Provided, That if the relevant zone extends over the jurisdictions of at least two local governments, such

as the Special Metropolitan City, a Metropolitan City, Special Self-Governing City, Do, or Special Self-Governing Province, the relevant Mayors/Do Governors shall jointly request the Minister of Science and ICT to change the special zone.

- (2) Upon receipt of a request from a Mayor/Do Governor to change a special zone under paragraph (1), the Minister of Science and ICT may change the special zone upon taking the steps prescribed in Article 4 (1) 2 and 3: Provided, That the Minister need not take such steps where a modification is made to any minor matters prescribed by Presidential Decree.
- (3) Article 4 (4), (7), and (8) shall apply mutatis mutandis to change of special zones. In such cases, “designation” in Article 4 (4) and (7) shall be construed as “change”.
- (4) Where any area is excluded from a special zone due to the change of the special zone under paragraph (2), the designation of the area as a special zone shall be deemed canceled.

[This Article Added on Apr. 17, 2018]

Article 5 (Cancellation of Designation of Special Zones)

- (1) If a special zone designated under Article 4 falls under any of the following cases, the Minister of Science and ICT may wholly or partially cancel the designation of the special zone. The foregoing shall also apply where a Mayor/Do Governor requests cancellation: <Amended on Mar. 23, 2013; Jul. 26, 2017>
 1. Where it is found impracticable to accomplish the objectives of designation of a special zone or a special zone ceases to meet the requirements for designation prescribed in Article 4 (2);
 2. Where it is impracticable to develop a special zone within a considerable period due to restrictions on development acts under other statutes and regulations or due to the reluctance of the implementer of the development project of a special zone to participate in the project;
 3. Where any cause prescribed by Presidential Decree and similar to any cause specified in subparagraph 1 or 2 exists.
- (2) When it is intended to cancel the designation of a special zone under paragraph (1), the steps specified in Article 4 (1) shall be taken.
- (3) When a Mayor/Do Governor intends to make a request to cancel the designation of a special zone pursuant to paragraph (1), he or she shall first hold a public hearing to hear opinions thereon from residents, related experts, etc.
- (4) When the Minister of Science and ICT cancels the designation of a special zone under paragraph (1) or (2), he or she shall give public notice of the details thereof and shall notify the competent Mayor/Do Governor thereof without delay, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) Upon receipt of notice given under paragraph (4), a Mayor/Do Governor shall make

the details thereof available for public inspection for at least 14 days. <Added on Apr. 17, 2018>

[This Article Wholly Amended on Jan. 26, 2012]

Article 5-2 (Legal Fiction as Cancellation of Designation of Special Zones)

- (1) Where an area designated as a special zone falls under any of the following cases, its designation as a special zone shall be deemed canceled on the day following the date specified in each relevant subparagraph:
 1. Where no application for approval of an implementation plan is filed under Article 27 (1) for all or part of the special zone, within three years from the date the special zone is designated and public notice thereof is given under Article 4 (7);
 2. Where no application for approval of an implementation plan (limited to approval of an implementation plan following change of a special zone) is filed under Article 27 (1) for all or part of the special zone, within three years from the date the special zone is changed under Article 4-2 (2) and public notice of such change is given.
- (2) Notwithstanding paragraph (1), where a Mayor/Do Governor requests the extension of the deadline for cancellation for efficient promotion, development, etc. of a relevant special research and development zone, the Minister of Science and ICT may extend the deadline by up to three years, subject to deliberation and resolution by the Committee for Special Research and Development Zones established under Article 7. <Added on Jun. 9, 2020>
- (3) Where the designation of a special zone is canceled pursuant to paragraph (1), the Minister of Science and ICT shall give public notice of the details of the cancellation in the Official Gazette and notify the competent Mayor/Do Governor thereof without delay, as prescribed by Presidential Decree. <Amended on Jun. 9, 2020>
- (4) Upon receipt of notice given under paragraph (3), a Mayor/Do Governor shall make the details thereof available for public inspection for at least 14 days. <Amended on Jun. 9, 2020>

[This Article Added on Apr. 17, 2018]

Article 6 (Comprehensive Plans to Promote Special Zones)

- (1) The Minister of Science and ICT shall formulate and implement a comprehensive plan to promote special zones every five years in order to efficiently achieve the purpose of this Act (hereinafter referred to as “comprehensive plan to promote special zones”). <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) A comprehensive plan to promote special zones shall include the following

matters: <Amended on Jun. 9, 2020>

1. Basic direction-setting for the promotion of special zones;
 2. Assisting research and development of universities, research institutes, and companies in a special zone and the management of their intellectual property rights;
 3. Promoting commercialization of outcomes from research and development projects of universities, research institutes, and companies in a special zone;
 4. Promoting starting-up and invitation of advanced technology enterprises;
 5. Training human resources specialized in research and development for universities, research institutes, and companies in a special zone and human resources for supporting commercialization;
 6. Invigorating exchange and cooperation among universities, research institutes, and companies in a special zone;
 7. Creating conditions for inviting foreigners' investment and settlement of foreigners;
 8. Disseminating outcomes from the operation of special zones;
 9. Schemes for establishing an integrated system to support universities, research institutes, and companies in special zones;
 10. Schemes for expanding investment and procuring financial resources;
 11. Systematic development of each special zone;
 12. Strategies for specialization of industries and technology in each special zone;
 13. Schemes for cooperative development of a special zone with other areas;
 14. Establishment and promotion of a test bed in a special zone;
 15. Other matters prescribed by Presidential Decree for the promotion of special zones.
- (3) Where the Minister of Science and ICT intends to formulate or revise the comprehensive plan to promote special zones, he or she shall consult with the heads of related central administrative agencies and the competent Mayor/Do Governor thereon, and shall finalize the plan through deliberation and resolution thereon by the Committee for Special Research and Development Zone under Article 7. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (4) The Minister of Science and ICT shall notify the heads of related central administrative agencies and the competent Mayor/Do Governor of the comprehensive plan to promote special zones finalized or revised pursuant to paragraph (3). <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) Whenever the Minister of Science and ICT finalizes or revises a comprehensive plan to promote special zones prescribed in paragraph (3), he or she shall report the finalized or revised comprehensive plan to the Presidential Advisory Council on Science and Technology established under the Presidential Advisory Council on

Article 6-2 (Special Zone Development Plans)

- (1) The Minister of Science and ICT shall formulate and implement a special zone development plan for each special zone (hereinafter referred to as “special zone development plan”) in any of the following cases: <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018>
 1. Where a special zone is designated under Article 4 or changed under Article 4-2;
 2. Where deemed necessary to efficiently promote the development of special zones.
- (2) A special zone development plan shall include the following matters:
 1. Name and location of the relevant special zone;
 2. Name, location, and area of the target area;
 3. Necessity for the development of the special zone;
 4. Development projects to be implemented in the target area (hereinafter referred to as “special zone development project”);
 5. The prospective implementers of special zone development projects;
 6. Implementing method of the special zone development project;
 7. Funding methods;
 8. A land use plan and a major infrastructure plan;
 9. A population accommodation plan and a residential facilities development plan;
 10. A traffic control plan;
 11. A plan to invite universities, research institutes, and companies;
 12. A plan to establish facilities for health and medical services, education, and welfare;
 13. An environmental conservation plan;
 14. A plan to develop an environment to attract foreigners’ investment and to settle foreigners;
 15. Matters regarding re-investment of development gains;
 16. Other matters prescribed by Presidential Decree.
- (3) The competent Mayor/Do Governor may request the Minister of Science and ICT to formulate a special zone development plan for an area for which no special zone development plan is formulated. <Added on Dec. 22, 2020>
- (4) A person falling under any subparagraph of Article 26 (1) may propose a draft special zone development plan to a Mayor/Do Governor, and where the Mayor/Do Governor deems it appropriate, he or she may request the Minister of Science and ICT to formulate a special zone development plan in accordance with the draft

special zone development plan. <Added on Dec. 22, 2020>

- (5) If a special zone development plan involves any matter regarding an industrial complex defined in subparagraph 8 (a) through (c) of Article 2 of the Industrial Sites and Development Act, consultation with the Minister of Land, Infrastructure and Transport thereon shall be held in advance. In such cases, the Minister of Land, Infrastructure and Transport shall submit such plan for deliberation by the Industrial Location Policy Deliberation Committee under Article 3 of the Industrial Sites and Development Act. <Amended on Mar. 23, 2013; Dec. 22, 2020>
- (6) When the Minister of Science and ICT intends to formulate or revise a special zone development plan, he or she shall finalize the plan upon taking the steps prescribed in Article 4 (1): Provided, That the foregoing shall not apply where he or she intends to revise any minor matter prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018; Dec. 22, 2020>
- (7) The Minister of Science and ICT shall publicly notify in the Official Gazette the details of a special zone development plan finalized under paragraph (6), as prescribed by Presidential Decree, and shall notify the heads of related central administrative agencies and the competent Mayor/Do Governor thereof without delay. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018; Dec. 22, 2020>
- (8) Procedures for request and proposal under paragraphs (3) and (4) and other necessary matters shall be prescribed by Presidential Decree. <Added on Dec. 22, 2020>

[This Article Added on Jan. 26, 2012]

Article 6-3 (Consultation on Development of Areas without Special Zone Development Plans)

Any person who intends to grant permission, authorization, designation, approval, etc. of any development act specified in other statutes in an area within a special zone, the development plan of which has not formulated, shall consult in advance with the Minister of Science and ICT thereon: Provided, That the foregoing shall not apply to permission, authorization, designation, approval, etc. of small scale development prescribed by Presidential Decree, including building permission granted under Article 11 of the Building Act. <Amended on Mar. 23, 2013; Jul. 26, 2017; Jun. 9, 2020>

[This Article Added on Jan. 26, 2012]

Article 7 (Committee for Special Research and Development Zones)

- (1) A Committee for Special Research and Development Zones (hereinafter referred to as the “Committee”) shall be established within the Ministry of Science and ICT to deliberate and resolve on the following matters for the development of special zones: <Amended on Mar. 23, 2013; Jul. 26, 2017; Jun. 9, 2020; Mar. 21, 2023>

1. Major policies and systems for special zones;
 2. Formulation and revision of comprehensive plans to promote special zones;
 3. Formulation and revision of special zone development plans;
 4. Designation of special zones and cancellation or alteration of designation;
 5. Financial support and training of human resources necessary for the promotion of special zones;
 6. Mediation of opinions of the heads of related central administrative agencies and Mayors/Do Governors;
 - 6-2. Regulatory exemptions for demonstration and temporary permission;
 7. Details regarding the operation of the Committee;
 8. Other matters regarding the promotion of special zones.
- (2) The Committee shall be formed with no more than 20 members, including one Chairperson and one Vice Chairperson, and comprised of ex officio members and at least seven commissioned members.
 - (3) The Minister of Science and ICT shall serve as Chairperson. <Amended on Mar. 23, 2013; Jul. 26, 2017>
 - (4) Persons prescribed by Presidential Decree, from among public officials at the rank of Vice Minister in central administrative agencies, shall serve as ex officio members.
 - (5) Commissioned members shall be commissioned by the Chairperson, from among persons with abundant knowledge and experience which can contribute to the development and operation of special zones or persons with abundant expertise and experience in new technology. <Amended on Jun. 9, 2020>
 - (6) A secretariat may be established to assist the Committee in its business affairs as prescribed by Presidential Decree. <Amended on Mar. 23, 2013>
 - (7) A specialized committee may be established under the Committee, as prescribed by Presidential Decree, in order to efficiently perform and support affairs of the Committee prescribed in paragraph (1) 6-2. <Added on Jun. 9, 2020>
- [This Article Wholly Amended on Jan. 26, 2012]

Article 7-2 (Evaluation of Performance of Special Zones)

- (1) The Minister of Science and ICT may conduct a comprehensive evaluation for each special zone for the development of special zones. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT shall disclose the results of evaluations conducted under paragraph (1) and may provide administrative or financial support to each special zone differently based on the results of such evaluations. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) Methods of and procedures for evaluations and disclosure under paragraphs (1)

and (2) and other necessary matters shall be prescribed by Presidential Decree.
[This Article Added on Jan. 26, 2012]

CHAPTER III

REINFORCING RESEARCH AND DEVELOPMENT AND COMMERCIALIZATION

Article 8 (Establishment of Infrastructure for Commercializing Outcomes from Research and Development Projects in Special Zones)

- (1) The Minister of Science and ICT shall spare no efforts to establish institutional infrastructure for supporting the commercialization of outcomes from research and development projects performed in special zones. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT shall formulate and implement support policies for promoting professional research businesses as defined in subparagraph 3 of Article 2 of the Research Industry Promotion Act, in order to facilitate the commercialization of outcomes from research and development projects performed in special zones. <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 20, 2021>
- (3) The Minister of Science and ICT shall formulate policies necessary for assisting universities, national research institutes, and government-funded research institutes in special zones so that they can swiftly and smoothly acquire and exercise intellectual property rights to the outcomes from their research and development projects. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (4) The Minister of Science and ICT shall establish a supporting system necessary to facilitate the transfer and commercialization of technologies possessed by universities, national research institutes, and government-funded research institutes in special zones, such as a system to link them to markets for trading technologies. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) The Minister of Science and ICT shall search for cases where universities, national research institutes, government-funded research institutes and companies in special zones have succeeded in commercializing outcomes from their research and development projects, reward such universities, national research institutes, government-funded research institutes and companies for their efforts, promote service industry related to business management activities, such as consulting services for legal affairs, accounting, engineering, and management, and endeavor to disseminate the innovation of science and technology in special zones. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 9 (Designation of Advanced Technology Enterprises)

- (1) The Minister of Science and ICT may designate a company meeting all of the following requirements as an advanced technology enterprise: <Amended on Mar. 23, 2013; Jul. 26, 2017>
 1. A company shall hold a domestic or foreign patent right in the field of technology prescribed by Presidential Decree (including an exclusive license provided for in Article 100 of the Patent Act);
 2. A company shall produce and sell products by utilizing a patent right under subparagraph 1;
 3. A company shall be located in a special zone;
 4. The ratio of a company's research and development expenses and its sales of products produced and sold as provided for in subparagraph 2 to its annual gross sales shall meet the standards prescribed by Presidential Decree.
- (2) Procedures for designation of advanced technology enterprises under paragraph (1) and other matters necessary for designation of advanced technology enterprises shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 9-2 (Revocation of Designation of Advanced Technology Enterprises)

- (1) If an advanced technology enterprise falls under any of the following cases, the Minister of Science and ICT may revoke its designation: Provided, That if it falls under subparagraph 1, its designation shall be revoked: <Amended on Mar. 23, 2013; Jul. 26, 2017>
 1. If it has obtained designation as an advanced technology enterprise by fraud or other improper means;
 2. If it ceases to meet the requirements for designation specified in Article 9 (1);
 3. If it fails to continue business activities during a period prescribed by Presidential Decree, due to business suspension, default, permanent closure, bankruptcy, etc.
- (2) When the Minister of Science and ICT intends to revoke the designation of an advanced technology enterprise under paragraph (1), he or she shall hold a hearing thereon. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Added on Dec. 30, 2009]

Article 9-3 (Establishment of Research-Based Spin-Off Companies)

- (1) Any of the following institutions or companies may solely or jointly establish a research-based spin-off company: <Amended on Jan. 9, 2024>
 1. A public research institute;

2. An industry-academia-research technology holding company as defined in subparagraph 8 of Article 2 of the Industrial Education and Industry-Academia-Research Cooperation Promotion Act;
 3. A company specializing in the start-up of new technology-based businesses as defined in Article 2 (8) of the Special Act on the Promotion of Venture Businesses, which shall meet the standards prescribed by Presidential Decree;
 4. A public research institute high-tech holding company as defined in subparagraph 10 of Article 2 of the Technology Transfer and Commercialization Promotion Act.
- (2) A research-based spin-off company established under paragraph (1) shall file for registration with the Minister of Science and ICT, as prescribed by Presidential Decree. The foregoing shall also apply where it intends to revise matters prescribed by Presidential Decree, among registered matters. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) A research-based spin-off company shall meet all of the following requirements:
1. An institution or company specified in any subparagraph of paragraph (1) shall solely or jointly hold the stocks (including equity share; the same shall apply hereinafter) of the research-based spin-off companies from among the capital of the research-based spin-off companies in excess of the ratio prescribed by Presidential Decree;
 2. The research-based spin-off company shall be established to directly commercialize technology of a public research institute;
 3. The research-based spin-off company shall be established within a special zone.
- (4) A public research institute that has established a research-based spin-off company under paragraph (1) shall use profits and surplus (hereafter referred to as “profits, etc.” in this Article) from investment in the research-based spin-off company for any of the following purposes, and priority in using such profits, etc. shall be given to the purposes specified in subparagraphs 1 through 4: <Amended on Apr. 17, 2018>
1. Investment in research and development;
 2. Investment to establish a research-based spin-off company, or re-investment in a research-based spin-off company;
 3. Expenses incurred in commercializing outcomes of research and development;
 4. Compensation paid to personnel and departments for their contribution to technological development or commercialization;
 5. Operating expenses of the institute.
- (5) A public research institute may use at least 50/100 of the profits, etc. to pay compensation to personnel and departments for their contribution to technological

development, and at least 10/100 of the profits, etc. to pay compensation to personnel and departments for their contribution to commercialization, out of those specified in paragraph (4) 4. <Added on Apr. 17, 2018>

- (6) Specific percentages of compensation to be paid pursuant to paragraph (5) shall be prescribed by Presidential Decree. <Added on Apr. 17, 2018>
- (7) For the efficient management of research-based spin-off companies, the Minister of Science and ICT may investigate matters prescribed by Presidential Decree, such as whether such companies meet the requirements under paragraph (3) and may inspect relevant data. <Added on Dec. 28, 2021>
- (8) Where the findings of an investigation or inspection conducted under paragraph (7) show a violation of this Act, the Minister of Science and ICT may order the relevant research-based spin-off company to take corrective measures, as prescribed by Presidential Decree. <Added on Dec. 28, 2021>

[This Article Wholly Amended on Jan. 26, 2012]

Article 9-4 (Revocation of Registration of Research-Based Spin-Off Companies)

- (1) Where a research-based spin-off company falls under any of the following cases, the Minister of Science and ICT may revoke the registration of the research-based spin-off company: Provided, That where a research-based spin-off company falls under subparagraph 1, its registration shall be revoked; whereas if a research-based spin-off company falls under subparagraph 2 and the stock holding ratio exceeds the standard prescribed by Presidential Decree, the revocation of registration may be suspended for up to five years, as prescribed by Presidential Decree: <Amended on Mar. 23, 2013; May 28, 2014; Jul. 26, 2017; Dec. 28, 2021>
 - 1. Where it has filed for registration by fraud or other improper means;
 - 2. Where it fails to meet the stock holding ratio specified by Presidential Decree;
 - 3. Where it is deemed impracticable for the business of a research-based spin-off company to achieve its purpose of establishment, which is to directly commercialize technology of a public research institute;
 - 4. Where it fails to meet the requirements specified in Article 9-3 (3) 3;
 - 5. Where it fails to continue business activities during a period prescribed by Presidential Decree due to business suspension, default, permanent closure, bankruptcy, etc.;
 - 6. Where it fails to comply with the corrective order under Article 9-3 (8);
 - 7. Where it files an application for revocation of registration (referring to an application filed jointly by an institution or company participating in the establishment of a research-based spin-off company, in cases of the joint establishment of such company under Article 9-3 (1)).
- (2) The Minister of Science and ICT shall hold a hearing to revoke the registration of

a research-based spin-off company pursuant to paragraph (1): Provided, That a hearing need not be held in the case of paragraph (1) 7. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 28, 2021>

[This Article Wholly Amended on Jan. 26, 2012]

Article 9-5 (Allowable Temporary Retirement and Holding of Concurrent Offices of Researchers in Public Research Institutes)

- (1) Researchers (including teachers prescribed in Article 15 of the Korea Advanced Institute of Science and Technology Act, Article 14 of the Gwangju Institute of Science and Technology Act, Article 12-3 of the Daegu Gyeongbuk Institute of Science and Technology Act, and Article 8 of the Ulsan National Institute of Science and Technology Act; hereafter the same shall apply in this Article) of public research institutes, who are not public officials, may temporarily retire from work to serve as the representative or employee of a research-based spin-off company, or concurrently hold the office of a representative or an employee, after obtaining permission from the heads of institutions to which they belong. <Amended on Apr. 17, 2018>
- (2) The period of temporary retirement under paragraph (1) shall not exceed three years: Provided, That the period may be extended for three years with permission from the head of the institute to which a researcher belongs. <Amended on May 28, 2014>
- (3) Where researchers of public research institutes takes a leave of absence from office for not less than six months under paragraph (1), it shall be deemed that there are a separately fixed number of researchers corresponding to the number of the relevant persons on leave in the relevant public research institutes, from the first day of the leave of absence.

[This Article Added on Dec. 30, 2009]

[Title Amended on May 28, 2014]

Article 10 (Training of Human Resources Specializing in Research and Development in Special Zones and Establishment of Systems for Exchange and Cooperation among Universities, Research Institutes, and Companies)

- (1) The Minister of Science and ICT shall formulate and implement policies for training human resources specializing in research and development as well as human resources supporting commercialization in the fields of new technology, convergence technology, etc. for universities in special zones. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT may provide the following assistance to universities, research institutes, and companies in special zones to bolster

exchange and cooperation among them: <Amended on Mar. 23, 2013; May 29, 2016; Jul. 26, 2017>

1. Assistance in developing and implementing joint educational programs together with domestic or foreign companies, domestic or foreign universities, or domestic or foreign research institutes;
2. Assistance to universities in special zones in opening and operating courses for business start-up;
3. Assistance in developing and implementing educational programs for training human resources specializing in support for research and development and experts in business management;
4. Assistance in invigorating exchange of researchers and technical personnel and in enriching the substance of on-site education;
5. Assistance in developing and operating training and education programs for technical personnel operating research equipment and programs for providing human resources to related institutions;
6. Providing human resources specializing in research and development to research-based spin-off companies, advanced technology enterprises, etc.;
7. Preferential recommendations to select designated entities for which expert research personnel will serve under Article 36 of the Military Service Act;
8. Giving priority in granting subsidies for the employment of researchers with a master's degree or doctorate degree in science or engineering;
9. Assistance in inviting high-quality overseas human resources in science and technology;
10. Assistance in establishing information systems for researchers, research tasks, research equipment, etc.;
11. Assistance in other affairs prescribed by Presidential Decree and necessary to strengthen exchange and cooperation among universities, research institutes and companies in special zones.

[This Article Wholly Amended on Jan. 26, 2012]

Article 11 (Assistance in Strengthening Government-Funded Research Institutes' Innovation Capability)

The Minister of Science and ICT may provide the following assistance to government-funded research institutes in special zones to strengthen their innovation capability: <Amended on Mar. 23, 2013; Jul. 26, 2017>

1. Establishing a flexible research organization for each field of specialty, based on future demand forecasts;
2. Invigorating exchange of human resources among government-funded research institutes;

3. Establishing systems for learning and re-training of researchers of government-funded research institutes;
4. Improving the evaluation and rewarding systems of government-funded research institutes and affiliate researchers.

[This Article Wholly Amended on Jan. 26, 2012]

Article 12 (Implementation of Special Zone Promotion Projects)

- (1) The Minister of Science and ICT and the heads of related central administrative agencies shall implement projects (hereinafter referred to as “special zone promotion project”) for providing assistance in research and development activities and management of intellectual property rights, and for promoting commercialization of outcomes from research and development projects, in accordance with the comprehensive plans to promote special zones, and may select tasks for promoting special zones each year to enter into contracts with universities, research institutes, and companies in special zones for research on such tasks. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) Expenses incurred in implementing special zone promotion projects shall be covered with contributions from the Government or any person, other than the Government, and profits, etc. generated in the course of the implementation of the special zone promotion projects.
- (3) Matters necessary for the method for entering into contracts under paragraph (1) and the payment, use, and management of contributions under paragraph (2) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 13 (Payment of Subsidies for Employment)

A local government may pay subsidies for employment, education and training, etc. to companies that invest in a special zone, as prescribed by municipal ordinance of the local government, if deemed necessary to promote investment in the special zone.

[This Article Wholly Amended on Jan. 26, 2012]

Article 14 (Special Cases for Tax Benefits and Full or Partial Exemption from Charges)

- (1) If necessary for developing and promoting special zones, the State and local governments may provide tax benefits to implementers of special zone development projects, research-based spin-off companies, and advanced technology enterprises, as provided for in tax-related statutes.
- (2) If necessary for efficiently implementing special zone development projects, the State and local governments may fully or partially exempt implementers of such special zone development projects from the following charges:

1. Development charges under the Restitution of Development Gains Act;
2. Farmland preservation charges under Article 38 of the Farmland Act;
3. Costs of development of substitute grassland under Article 23 (6) of the Grassland Act;
4. Costs of development of substitute forest resources under Article 19 of the Management of Mountainous Districts Act;
5. Cooperation charges on conservation of ecosystem under Article 46 of the Natural Environment Conservation Act;
6. Occupancy or use fees of public waters under Article 13 of the Public Waters Management and Reclamation Act;
7. Environmental improvement charges under the Environment Improvement Expenses Liability Act.

[This Article Wholly Amended on Jan. 26, 2012]

Article 15 (Special Cases for Use, Lease, Sale of, or Benefit from State or Public Property)

- (1) Notwithstanding the State Property Act and the Public Property and Commodity Management Act, the Minister of Economy and Finance, the head of a central government agency, or the head of a local government may permit a research-based spin-off company or an advanced technology enterprise to use or benefit from land, buildings, and other State or public property, which are owned by the State or the local governments, or may lease or sell such property to a research-based spin-off company or an advanced technology enterprise, under a negotiated contract.
- (2) Where the use or lease of, or benefit from State property is permitted under paragraph (1), a period therefor shall be fixed up to 50 years, notwithstanding Articles 35 (1) and 46 (1) of the State Property Act. In such cases, the period is renewable but the period for each renewal shall not exceed 50 years.
- (3) Notwithstanding Article 18 of the State Property Act and Article 13 of the Public Property and Commodity Management Act, the State or a local government may permit a person to build a factory or any other permanent structures on the land that the State or the local government owns and permits the person to use or benefit from. In such cases, the State or a local government may attach a condition that the person shall donate the structures to the State or the local government or reinstate the land upon the expiration of the specified period, taking into consideration the types of structures thereon.
- (4) Guidelines for calculating use fees and rents for the use of, benefit from, or lease of State property under paragraph (1) shall be prescribed by Presidential Decree, notwithstanding Articles 32 (1) and 47 of the State Property Act.

- (5) If it is found that a research-based spin-off company or an advanced technology enterprise purchasing State property sold under paragraph (1) is unable to pay the purchase price in a lump sum, the deadline for the payment of such purchase price may be deferred or such research-based spin-off company or such advanced technology enterprise may be allowed to pay the purchase price in installments, as prescribed by Presidential Decree, notwithstanding Article 50 (1) of the State Property Act.

[This Article Wholly Amended on Jan. 26, 2012]

Article 16 (Special Cases regarding the Monopoly Regulation and Fair Trade Act for Promotion of Joint Research and Development)

- (1) Matters on which the Minister of Science and ICT has consulted with the Fair Trade Commission among joint research and technological development projects needed to commercialize outcomes from a research and development project in a special zone shall be deemed authorized by the Fair Trade Commission under Article 40 (2) of the Monopoly Regulation and Fair Trade Act. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 29, 2020>
- (2) Where the Minister of Science and ICT intends to request consultation under paragraph (1), he or she shall submit a document stating the necessity of application of special cases, the details of such provisions, and other matters prescribed by Presidential Decree to the Fair Trade Commission. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 16-2 (Regulatory Exemptions for Demonstration)

- (1) A person who intends to conduct demonstration necessary in the course of research and development for the purpose of creating a new technology in a special zone may file an application for regulatory exemptions for demonstration (hereinafter referred to as “regulatory exemptions for demonstration”) to the Minister of Science and ICT, in any of the following cases: <Amended on Mar. 21, 2023>
 1. Where the standards, specifications, requirements, etc. do not exist in the statutes or regulations governing permission, etc.;
 2. Where it is unclear or unreasonable to apply the standards, specifications, requirements, etc. under the statutes or regulations governing permission, etc.;
 3. Where it is impossible to apply for permission, etc. under other statutes or regulations.
- (2) Upon receipt of an application under paragraph (1), the Minister of Science and ICT shall notify the head of a related central administrative agency or a local

government (hereinafter referred to as “related agency”) of the details of the application.

- (3) Upon receipt of an application under paragraph (1), the Minister of Science and ICT may grant regulatory exemptions for demonstration, after review by the heads of related agencies under paragraph (5) and deliberation and resolution by the Committee. In such cases, the Minister of Science and ICT may impose conditions on regulatory exemptions for demonstration.
- (4) The validity period of regulatory exemptions for demonstration shall be prescribed by Presidential Decree within two years. In such cases, the validity period may be extended only once, and a person who intends to extend the validity period shall apply therefor to the Minister of Science and ICT two months before the expiration of the validity period.
- (5) Upon receipt of notification under paragraph (2), the heads of related agencies shall review the details of the relevant application and provide the findings of the review in writing to the Minister of Science and ICT within 30 days: Provided, That where an applicant for regulatory exemptions for demonstration is requested to supplement data for a review as to whether regulatory exemptions for demonstration is granted, the period required to supplement data is not included in such period, and also in such cases, the findings of the review shall be provided within 90 days.
- (6) The Minister of Science and ICT shall submit to the Committee an issue on whether to grant regulatory exemptions for demonstration, attached with the findings of a review replied by the heads of related agencies under paragraph (5); In such cases, the Committee shall deliberate and resolve on the issue in consideration of the following: <Amended on Mar. 21, 2023>
 1. Innovativeness and safety of the relevant new technology and accompanying benefits to users;
 2. Whether the life or safety of the people, or the environment is undermined, and the safe protection and management of personal information;
 3. Appropriateness of regulatory exemptions for demonstration;
 4. Schemes to secure ex-post responsibility for side effects that could occur due to the exemption or relaxation of regulations;
 5. Other matters necessary to grant regulatory exemptions for demonstration.
- (7) Where an application for regulatory exemptions for demonstration fails to pass a resolution by the Committee under paragraph (6) and thus is not designated as the regulatory exemptions for demonstration under the former part of paragraph (3), the applicant may file an application with the Minister of Science and ICT to decide again on the case of granting regulatory exemptions for demonstration, through re-deliberation by the Committee as prescribed by Presidential Decree. <Added on

Mar. 21, 2023›

- (8) The heads of related agencies may provide support necessary to grant regulatory exemptions for demonstration under paragraph (3).
- (9) If necessary for granting regulatory exemptions for demonstration, the Minister of Science and ICT may designate an institution or organization having professional human resources and technologies prescribed by Presidential Decree as a testing and inspection agency to assign it with testing and inspection of new technologies. ‹Amended on Mar. 21, 2023›
- (10) Where intending to modify any of the designated matters, a person who is granted regulatory exemptions for demonstration pursuant to paragraph (3) (including a person who is granted an extension of the validity period pursuant to the latter part of paragraph (4); hereinafter referred to as “person with regulatory exemptions for demonstration”) may file an application for modification of regulatory exemptions for demonstration with the Minister of Science and ICT. In such cases, the Minister of Science and ICT shall decide on whether to make modifications by applying paragraphs (2) through (6) *mutatis mutandis*: Provided, That the foregoing shall not apply to cases where any minor matters prescribed by Presidential Decree are modified. ‹Added on Mar. 21, 2023›
- (11) A person with regulatory exemptions for demonstration may request the Minister of Science and ICT and the heads of related agencies to improve the statutes and regulations applicable to regulatory exemptions for demonstration, attaching the results of the application of regulatory exemptions for demonstration, by not later than two months before the expiration of the validity period. ‹Added on Mar. 21, 2023›
- (12) The heads of related agencies shall review the necessity to improve the statutes or regulations applicable to matters subject to regulatory exemptions for demonstration, based on the results of applying regulatory exemptions for demonstration submitted pursuant to paragraph (11), and where it is deemed necessary to improve the statutes or regulations on the grounds that the safety of relevant new technology is verified, the heads of related agencies shall immediately commence the improvement of the statutes or regulations. ‹Added on Mar. 21, 2023›
- (13) Where the Minister of Science and ICT deems it necessary to improve the statutes or regulations in disagreement with the results of review by the heads of related agencies, he or she may file a request for regulatory improvement with, or submit his or her opinions to, the Regulatory Reform Committee referred to in Article 23 of the Framework Act on Administrative Regulations (hereinafter referred to as the “Regulatory Reform Committee”) under Articles 17 and 17-2 of that Act; and the Regulatory Reform Committee may examine the request for regulatory improvement

or submitted opinions under Article 18 of that Act. <Added on Mar. 21, 2023>

- (14) Where the heads of related agencies commence the improvement of the statutes and regulations under paragraph (12) or Article 16-3 (4) (including where the heads of related agencies start to improve the statutes and regulations after an examination by the Regulatory Reform Committee under paragraph (13)), the Minister of Science and ICT may grant a temporary permission to the relevant services or products of new technologies pursuant to Article 16-7, if such permission is not obviously prohibited under other statutes. <Added on Mar. 21, 2023>
- (15) Notwithstanding paragraph (4), in the case of a person who makes a request under paragraph (11), the validity period of regulatory exemptions for demonstration shall be deemed to have not terminated during the period required for the procedures under paragraphs (12) through (14). <Added on Mar. 21, 2023>
- (16) Except as provided in paragraphs (1) through (15), matters necessary for applications for regulatory exemptions for demonstration and detailed standards for examination of such applications shall be prescribed by Presidential Decree. <Amended on Mar. 21, 2023>

[This Article Added on Jun. 9, 2020]

Article 16-3 (Management and Supervision of Regulatory Exemptions for Demonstration)

- (1) The Minister of Science and ICT and the heads of related agencies shall jointly manage and supervise activities regarding regulatory exemptions for demonstration granted and implemented in accordance with Article 16-2 (3).
- (2) The heads of related agencies and a person with regulatory exemptions for demonstration shall inform the users of new technologies of the fact that regulatory exemptions for demonstration are granted, the validity period of such special treatment, etc. and actively cope with matters concerning the life, health, safety, environment of users and the safe protection and treatment of personal information of users.
- (3) A person with regulatory exemptions for demonstration (excluding persons who request the improvement of the statutes and regulations under Article 16-2 (11)) shall submit the result of the application of regulatory exemptions for demonstration to the Minister of Science and ICT and the heads of related agencies within 30 days from the expiration date of the validity period, as prescribed by Presidential Decree. <Amended on Mar. 21, 2023>
- (4) If it is deemed necessary to improve the applicable statutes or regulations before the validity period of regulatory exemptions for demonstration expires, or if it is deemed necessary to amend the applicable statutes or regulations as a result of

reviewing the application results submitted pursuant to paragraph (3), the heads of related agencies shall amend the applicable statutes or regulations. In such cases, Article 16-2 (12) and (13) shall apply mutatis mutandis to the procedure necessary for the improvement of the statutes and regulations. <Amended on Mar. 21, 2023>

- (5) The Minister of Science and ICT may disclose the results of application of regulatory exemptions for demonstration under paragraph (3) and Article 16-2 (11) to promote new technologies and research and development in special research and development zones. <Amended on Mar. 21, 2023>
- (6) When a person granted regulatory exemptions for demonstration causes any personal or physical damage to the users of a new technology due to such new technology, he or she shall be liable to compensate for such damage: Provided, That the foregoing shall not apply where a person with regulatory exemptions for demonstration proves that he or she has not caused such damage by intention or negligence.
- (7) A person with regulatory exemptions for demonstration shall purchase liability insurance to assume liability to compensate for damage under paragraph (6): Provided, That where the person cannot purchase liability insurance, he or she shall prepare a separate compensation plan in accordance with the standards, methods, procedures, etc. for compensation prescribed by Presidential Decree.
- (8) Where the statutes and regulations governing permission, etc. for the relevant new technology are prepared, a person with regulatory exemptions for demonstration shall obtain permission, etc. under such statutes and regulations without delay.
- (9) Except as provided in paragraphs (1) through (8), matters necessary for the management, supervision, etc. of regulatory exemptions for demonstration shall be prescribed by Presidential Decree.

[This Article Added on Jun. 9, 2020]

Article 16-4 (Support for Regulatory Exemptions for Demonstration)

The Minister of Science and ICT may provide administrative and financial support prescribed by Presidential Decree to smoothly facilitate demonstration for the promotion of new technologies.

[This Article Added on Jun. 9, 2020]

Article 16-5 (Revocation of Granting of Regulatory Exemptions for Demonstration)

- (1) Where a person with regulatory exemptions for demonstration falls under any of the following subparagraphs, the Minister of Science and ICT may order such person to take corrective measures or may revoke the granting of regulatory exemptions for demonstration following deliberation and resolution by the

Committee: Provided, That the granting shall be revoked in cases falling under subparagraph 1: <Amended on Mar. 21, 2023>

1. Where he or she has been granted regulatory exemptions for demonstration by fraud or other improper means;
 2. Where he or she fails to meet the conditions referred to in the latter part of Article 16-2 (3);
 3. Where he or she ceases to meet the standards for examination referred to in Article 16-2 (16);
 4. Where it is deemed obviously impossible to attain the purpose of regulatory exemptions for demonstration.
- (2) Where the use or provision of new technologies causes or is likely to cause any harm to the life or safety of the people following the granting of regulatory exemptions for demonstration, the Minister of Science and ICT may order temporary suspension of the use, provision, etc. of such new technologies or other necessary measures.
- (3) The Minister of Science and ICT shall hold a hearing where he or she intends to revoke the granting of regulatory exemptions for demonstration under paragraph (1).
- (4) A person subject to revocation of the granting of regulatory exemptions for demonstration under paragraph (1) shall not use or provide the relevant new technologies.

[This Article Added on Jun. 9, 2020]

Article 16-6 (Prompt Identification of Regulation)

- (1) A person who intends to perform demonstration or conduct business by utilizing new technology in a special zone may request the Minister of Science and ICT to identify whether any regulation exists or is applicable regarding the creation of new technologies in the special zone.
- (2) Upon receipt of a request for identification under paragraph (1) which falls under the jurisdiction of other agencies, the Minister of Science and ICT shall notify the heads of related agencies of the request.
- (3) Upon receipt of notification under paragraph (2), the heads of related agencies shall reply to the Minister of Science and ICT within 30 days as to whether the relevant task falls under their respective jurisdiction and whether permission, etc. are necessary; if the heads of related agencies fail to reply within 30 days, it shall be deemed that the relevant task does not fall under their jurisdiction, or that the permission, etc. from the heads of related agencies is not required.
- (4) Where the heads of related agencies deem that the request filed under paragraph (1) requires permission, etc. under the relevant statutes or regulations, they shall reply to the Minister of Science and ICT regarding the conditions, procedures,

etc. necessary for permission, etc., and the Minister of Science and ICT shall immediately notify the applicant thereof.

- (5) Except as provided in paragraphs (1) through (4), matters necessary for the prompt identification of regulation and other matters shall be prescribed by Presidential Decree.

[This Article Added on Mar. 21, 2023]

Article 16-7 (Application for Temporary Permission)

- (1) A person who intends to conduct business with the services or products of new technologies in a special zone may apply for temporary permission for such products or services of new technologies to the Minister of Science and ICT, in any of the following cases:
 1. Where the statutes or regulations governing permission, etc. for the services or products of new technologies contain no standards, specifications, requirements, etc.;
 2. Where it is unclear or unreasonable to apply the standards, specifications, requirements, etc. prescribed in the statutes or regulations governing the permission, etc. for the services or products of new technologies.
- (2) Upon receipt of an application filed under paragraph (1), the Minister of Science and ICT shall notify the heads of related agencies of the details of such application.
- (3) Upon receipt of notification under paragraph (2), the heads of related agencies shall review the details of the relevant application and share the findings of such review in writing with the Minister of Science and ICT within 30 days: Provided, That where the heads of related agencies request an applicant for temporary permission to supplement relevant data for a review of whether to grant temporary permission, the time taken to supplement data shall not be included in such period, and also in such cases, the findings of the review shall be provided within 90 days.
- (4) Upon receipt of an application filed under paragraph (1), the Minister of Science and ICT may grant temporary permission, following a review by the heads of related agencies under paragraph (3) and deliberation and resolution by the Committee. In such cases, the Minister of Science and ICT may impose conditions on temporary permission.
- (5) The validity period of temporary permission shall be prescribed by Presidential Decree, not to exceed two years: Provided, That the validity period may be extended only once, and a person who intends to be granted an extension of the validity period shall file an application for an extension to the Minister of Science and ICT two months before the expiration of the validity period.
- (6) The Minister of Science and ICT shall submit to the Committee an issue of whether to grant temporary permission, attached with the findings of a review provided by

the heads of related agencies under paragraph (3); in such cases, the Committee shall deliberate and resolve on the issue in consideration of the following:

1. Whether the life, safety, or environment of citizens is undermined, and whether the personal information of citizens are protected and treated in a safe manner;
 2. Innovativeness and safety of the relevant new technology and accompanying benefits to users;
 3. Schemes to secure ex-post responsibility for side effects that could occur due to the exemption or relaxation of regulations;
 4. Appropriateness of temporary permission;
 5. Other matters necessary for temporary permission.
- (7) The heads of related agencies pertaining to temporary permission shall require public officials under their jurisdiction to participate in the examination procedure of the temporary permission, and may submit their opinions on the temporary permission to the Minister of Science and ICT.
- (8) Where a person who obtains temporary permission under paragraph (4) (including persons who are granted an extension of validity period under the proviso of paragraph (5)) intends to modify any permitted matters, he/she may request the Minister of Science and ICT to modify the temporary permission. In such cases, the Minister of Science and ICT shall determine whether to make modifications by applying paragraphs (2) through (6) *mutatis mutandis*: Provided, That this shall not apply to cases where any minor matters prescribed by Presidential Decree are modified.
- (9) The heads of related agencies shall improve the statutes or regulations governing permission, etc. for the relevant services or products of new technologies before the validity period of temporary permission expires under paragraph (5), and where the statutes or regulations governing permission, etc. are not completely improved within the validity period of such temporary permission extended under paragraph (5), such period shall be deemed extended until the improvement of statutes or regulations is complete: Provided, That this shall not apply where such improvement of the relevant statutes or regulations requires the amendment to the statutes.
- (10) Where the statutes and regulations governing permission, etc. for the services or products of new technologies are reformed, a person who has obtained temporary permission shall obtain permission, etc. under the relevant statutes and regulations without delay.
- (11) The Minister of Science and ICT may conduct testing and inspections for temporary permission, or may designate an institution or organization with relevant professional human resources and technologies as a testing and inspection agency.

- (12) Where users of the relevant services or products of new technologies suffer any personal or physical damage caused by such services or products, a person granted temporary permission shall be liable to compensate for such damage: Provided, That this shall not apply where a person granted temporary permission proves that he or she has not caused such damage by intent or negligence.
- (13) A person granted temporary permission shall purchase liability insurance to assume liability to compensate for damage under paragraph (12): Provided, That where the person cannot purchase liability insurance, he or she shall prepare a separate compensation plan in accordance with the standards, methods, procedures, etc. for compensation prescribed by Presidential Decree.
- (14) A person who has obtained temporary permission shall notify the user of the relevant new services or products of new technology of such temporary permission and the period of validity thereof.
- (15) Except as provided in paragraphs (1) through (14), matters necessary for temporary permission, such as applications and detailed examination standards, shall be prescribed by Presidential Decree.

[This Article Added on Mar. 21, 2023]

Article 16-8 (Cancellation of Temporary Permission)

- (1) Where a person granted temporary permission pursuant to Article 16-7 (4) falls under any of the following subparagraphs, the Minister of Science and ICT may order such person to take corrective measures or may cancel the temporary permission following deliberation and resolution by the Committee: Provided, That the temporary permission shall be canceled in cases falling under subparagraph 1:
 - 1. Where he or she obtains temporary permission by fraud or other improper means;
 - 2. Where he or she fails to meet the conditions referred to in the latter part of Article 16-7 (4);
 - 3. Where he or she ceases to meet the standards for examination referred to in Article 16-7 (6);
 - 4. Where he or she fails to obtain permission, etc. in violation of Article 16-7 (10);
 - 5. Where it is deemed obviously impossible to achieve the purpose of temporary permission.
- (2) Where the sale, use, or provision of the services or products of new technologies following temporary permission causes, or is likely to cause, any harm to the life or safety of the people, the Minister of Science and ICT may order a temporary suspension of the sale, use, or provision of the relevant services or products of new technologies or other necessary measures.
- (3) The Minister of Science and ICT shall hold a hearing where he or she intends to

cancel temporary permission under paragraph (1).

- (4) No person in whose case temporary permission is canceled pursuant to paragraph (1) shall engage in the sale, use, or provision of the relevant services or products of new technologies.
- (5) Matters necessary for the details and procedures for deliberation, etc. in relation to cancellation of temporary permission shall be prescribed by Presidential Decree.

[This Article Added on Mar. 21, 2023]

Article 17 (Participation in Investment Associations)

Korea Innovation Foundation established under Article 46 (hereinafter referred to as the “Foundation”) may join an investment association established for investment in small and medium enterprises under the Framework Act on Small and Medium Enterprises in a special zone as a member of the association: <Amended on Mar. 11, 2015; Dec. 22, 2020>

- 1. Deleted; <Dec. 22, 2020>
- 2. Deleted; <Dec. 22, 2020>
- 3. Deleted; <Dec. 22, 2020>
- 4. Deleted; <Dec. 22, 2020>
- 5. Deleted; <Dec. 22, 2020>
- 6. Deleted; <Dec. 22, 2020>
- 7. Deleted. <Dec. 22, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

Article 18 (Promotion of Research and Production Clusters Specializing in Core Industries)

- (1) The State and local governments shall create research and production clusters for each special area of technology in a special zone and formulate and implement policies necessary for expanding mutual exchange therefor.
- (2) When the Minister of Science and ICT and the heads of related central administrative agencies implement a special zone promotion project, each of them shall give priority to considering the fostering of a research and production cluster created under paragraph (1). <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) The Minister of Science and ICT shall formulate policies necessary for establishing an integrated database system by interlinking various databases of technical information in each research and production cluster under paragraph (1). <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER IV

DISSEMINATION OF OUTCOMES FROM OPERATION OF SPECIAL ZONES

Article 19 (Formulation and Implementation of Policies to Spread Results of Operation of Special Zones)

The Minister of Science and ICT shall, under the comprehensive plan to promote special zones, formulate and implement policies for the following activities in order to disseminate and propagate the major outcomes of the operation of special zones, in connection with the City/Do regional era plans formulated under Article 7 of the Special Act on Local Autonomy, Decentralization, and Balanced Regional Development: <Amended on Mar. 23, 2013; Jan. 7, 2014; Jul. 26, 2017; Jun. 9, 2023>

1. Invigorating joint research with universities, research institutes, and companies inside and outside of a special zone;
2. Promoting the transfer of the outcomes of research and development projects to other regions and the commercialization of such outcomes;
3. Invigorating mutual exchange and cooperation of researchers and technical personnel;
4. Other activities necessary for spreading the outcomes of the operation of special zones.

[This Article Wholly Amended on Jan. 26, 2012]

Article 20 (Establishment of Information Systems about Technologies and Markets in Special Zones)

- (1) The Foundation shall gather and computerize information about major technologies, equipment, human resources in special zones, related markets, etc. and shall provide support to ensure that information about technologies in special zones and markets therefor can be utilized nationwide.
- (2) When the Foundation computerizes information about technologies in special zones and markets therefor pursuant to paragraph (1), it shall execute the computerization in harmony with the establishment of databases of knowledge and information about science and technology and national research and development projects under Article 26 (1) of the Framework Act on Science and Technology.

[This Article Wholly Amended on Jan. 26, 2012]

Article 21 (Organization and Operation of Research Groups for Each Field of Technology)

- (1) The Minister of Science and ICT may assist universities, research institutes, and companies in and out of special zones in organizing research groups and

promoting exchange and cooperation, in order to facilitate dissemination of outcomes from the operation of special zones nationwide. <Amended on Mar. 23, 2013; Jul. 26, 2017>

- (2) Further details of assistance to research groups under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER V

ENCOURAGEMENT OF FOREIGN INVESTMENT AND IMPROVEMENT OF LIVING CONDITIONS FOR FOREIGNERS

Article 22 (Assistance in Establishment and Operation of Schools for Foreigners)

- (1) The State and local governments may subsidize schools for foreigners under Article 60-2 of the Elementary and Secondary Education Act for the purchase of building sites, construction of facilities, or operation of schools, in order to improve educational conditions for foreigners in special zones.
- (2) When domestic universities in a special zone seek the joint operation of curricula with foreign colleges or exchange of human resources and materials, the State and local governments may provide support necessary therefor.

[This Article Wholly Amended on Jan. 26, 2012]

Article 23 (Designation and Operation of Hospitals for Foreigners)

- (1) The State and local governments shall designate hospitals for foreigners to provide convenient medical services to foreigners in special zones.
- (2) Matters necessary for the designation and operation of hospitals for foreigners under paragraph (1) shall be prescribed by Ministerial Decree of Health and Welfare.

[This Article Wholly Amended on Jan. 26, 2012]

Article 23-2 Deleted. <Feb. 3, 2015>

Article 24 (Tax Benefits and Subsidies for Foreign-Invested Companies and Foreign Research Institutes)

- (1) The State and local governments may provide tax benefits to foreign-invested companies and foreign research institutes (hereinafter referred to as “foreign-invested institutions”) located in special zones, as provided for in tax-related statutes.
- (2) The State and local governments may subsidize fund for the establishment of

various convenience facilities for foreigners, including houses foreign-invested institutions for the development of building sites to be leased to foreign-invested institutions and, in order to attract foreign-invested institutions to special zones.

- (3) Notwithstanding the State Property Act, the Public Property and Commodity Management Act, and other statutes and regulations, the State and local governments may permit foreign-invested institutions located in a special zone to use or benefit from State or public property or lease or sell such property to such foreign-invested institutions under a free contract.
- (4) Article 15 shall apply mutatis mutandis to the use, benefitting from, or leasing of State or public property to foreign-invested institutions located in a special zone.

[This Article Wholly Amended on Jan. 26, 2012]

Article 25 (Establishment of Ombudsman System)

- (1) The Foundation shall establish an ombudsman system in order to assist foreign-invested institutions in resolving difficulties arising in the course of business management and foreigners' living.
- (2) Ombudsmen referred to in paragraph (1) shall be commissioned by the Minister of Science and ICT, after deliberation by the Committee, from among persons who have abundant knowledge and experience in foreign investment affairs. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) Matters necessary for the operation of the ombudsman system and other matters shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER VI IMPLEMENTATION OF SPECIAL ZONE DEVELOPMENT PROJECTS

Article 26 (Implementers of Special Zone Development Projects)

- (1) Each special zone development project shall be implemented by a person designated by the Minister of Science and ICT (hereinafter referred to as "project implementer"), from among the following persons: <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 31, 2018; Dec. 8, 2020>
 1. A local government, public corporation incorporated under Article 5 of the Management of Public Institutions, local public enterprise established under Article 3 (1) of the Local Public Enterprise Act or person mandated by the implementation of industrial complex development project under any other statute;
 2. The SMEs and Startups Corporation incorporated under Article 68 of the

Small and Medium Enterprises Promotion Act or the Korea Industrial Complex Corporation incorporated under Article 45-17 of the Industrial Cluster Development and Factory Establishment Act;

3. The Foundation;
 4. A person who intends to establish facilities appropriate for a special zone development project or a person deemed capable of establishing such facilities and developing a building site therefor, who meets the requirements prescribed by Presidential Decree;
 5. A corporation incorporated with joint investment by persons specified in subparagraphs 1 through 3 to develop a special zone, which meets the requirements prescribed by Presidential Decree;
 6. The owner of a parcel of land in a special zone or an association established by such owners to develop a special zone.
- (2) When a project implementer is designated, the Minister of Science and ICT shall give public notice of the designation. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) If a project implementer designated under paragraph (1) 1 deems it necessary for efficiently implementing a special zone development project, it may mandate a person who plans to move into the special zone to implement a part of the special zone development project on its behalf, as prescribed by Presidential Decree.
- [This Article Wholly Amended on Jan. 26, 2012]

Article 26-2 (Revocation of Designation of Project Implementers and Designation of Replacements)

- (1) In any of the following cases, the Minister of Science and ICT may revoke the designation of a project implementer: Provided, That designation shall be revoked in cases referred to in subparagraph 1: <Amended on Mar. 23, 2013; Jul. 26, 2017>
1. If the project implementer obtains designation under Article 26 or approval under Article 27 by fraud or other improper means;
 2. If it is anticipated impracticable to complete development within the implementation period because of delay in the purchase of land due to the project implementer's fault;
 3. If the project implementer fails to meet the requirements for qualification referred to in Article 26 (1) 4 through 6;
 4. If the project implementer fails to apply for approval of an implementation plan for the relevant special zone development project under Article 27 (1) (hereinafter referred to as "implementation plan") without a justifiable ground within a period prescribed by Presidential Decree;
 5. If the project implementer fails to execute an implementation plan without a justifiable ground.

- (2) When the Minister of Science and ICT revokes the designation of a project implementer under paragraph (1), he or she may designate another project implementer for replacement. Article 26 shall apply *mutatis mutandis* to such cases. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) A project implementer designated for replacement under paragraph (2) shall succeed to the status of the former project implementer with respect to approval of the special zone development project and the implementation plan.
- (4) When the Minister of Science and ICT revokes the designation of a project implementer or designates a project implementer for replacement under paragraph (1) or (2), he or she shall give public notice thereof. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) When the Minister of Science and ICT intends to revoke the designation of a project implementer under paragraph (1), he or she shall hold a hearing thereon. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Added on Jan. 26, 2012]

Article 27 (Approval of Implementation Plans)

- (1) Project implementers shall prepare an implementation plan which includes the matters prescribed by Presidential Decree, such as the scale and details of the project, the implementation period, and the funding plan, within two years from the date of public notice given under Article 26 (2), and shall obtain approval thereof from the Mayor/Do Governor prescribed by Presidential Decree after consulting with the Foundation thereon (such consultation shall be omitted where the Foundation is designated as a project implementer). This shall also apply where a project implementer intends to revise any approved matter: Provided, That where a project implementer has the authority to approve implementation plans as well, the project implementer shall obtain approval thereof from the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) Upon receipt of an application for the approval of an implementation plan or an application for a revision to an implementation plan prescribed in paragraph (1), the Mayor/Do Governor (referring to the Minister of Science and ICT, if the project implementer is the person who has authority to approve the implementation plan; hereafter the same shall apply in paragraph (3), Articles 28 (2), 29 (2), and 29-2 (1), the proviso of Article 30 (1), and Article 32 (1)) shall notify the applicant of whether he or she approves it or of the reasons why approval process is delayed within 20 days from the filing date of the application (excluding the period during which the heads of the related administrative agencies in charge of authorization, permission, etc., shall submit their opinions under Article 29 (3)). In this case, where the notice of whether the application is approved or of the reasons

why approval process is delayed is not given within the specified period, the application shall be deemed to be approved on the day immediately after the end of the period. <Added on Feb. 3, 2015; Jul. 26, 2017; Jan. 23, 2024>

- (3) Where a Mayor/Do Governor gives notice of the reasons why approval process is delayed under paragraph (2), he or she may extend the period for approval process prescribed in paragraph (2) by not more than 10 days. <Added on Feb. 3, 2015>
- (4) An implementation plan shall include a district unit plan formulated pursuant to Article 52 of the National Land Planning and Utilization Act. <Amended on Feb. 3, 2015>

[This Article Wholly Amended on Jan. 26, 2012]

Article 28 (Public Notice of Approval of Implementation Plans)

- (1) Where a Mayor/Do Governor approves an implementation plan or a revision to an implementation plan under Article 27 (1), he or she shall give public notice of the details thereof in the relevant official report, without delay, and shall forward copies of the relevant documents to the Minister of Science and ICT; provided,, where the Minister of Science and ICT approves an implementation plan prescribed in the proviso of Article 27 (1), he or she shall give public notice of the details thereof in the Official Gazette. <Amended on Mar. 23, 2013; Feb. 3, 2015; Jul. 26, 2017>
- (2) A Mayor/Do Governor shall make the details publicly notified under paragraph (1) available for public inspection for at least 14 days.

[This Article Wholly Amended on Jan. 26, 2012]

Article 29 (Legal Fiction of Authorization or Permission)

- (1) Where a project implementer has obtained approval of an implementation plan or approval of modification of such plan pursuant to Article 27 (1), the project implementer shall be deemed to have obtained, completed, or filed the following permission, authorization, designation, approval, consultation, reporting, etc. (hereinafter referred to as “authorization, permission, etc.”) if the Mayor/Do Governor has consulted in advance with the heads of administrative agencies related to authorization, permission, etc.; where the approval of an implementation plan is publicly notified pursuant to Article 28 (1), the authorization, permission, etc. under the relevant statutes in the following subparagraphs shall be deemed publicly notified or publicly announced: <Amended on Jan. 14, 2014; May 28, 2014; Aug. 11, 2015; Dec. 27, 2016; Feb. 8, 2017; Mar. 31, 2020; Jun. 9, 2020; Dec. 27, 2022; Jan. 23, 2024>
 1. Permission for changing the form and quality of land prescribed in Article 21-2 of the Grassland Act or permission for diversion of grassland under Article 23 of

- the aforesaid Act;
2. Permission for, or reporting on, the diversion of a mountainous district, or permission for, or reporting on, the temporary use of a mountainous district, under Article 14, 15, or 15-2 of the Management of Mountainous Districts Act; permission for, or reporting on, the cutting of standing trees under Article 36 (1) or (5) of the Creation and Management of Forest Resources Act; permission for, or reporting on, acts in a forest conservation zone (excluding forest genetic resources protection zones) under Article 9 (1) or (2) 1 or 2 of the Forest Protection Act; and the cancellation of designation of a forest conservation zone under Article 11 (1) 1 of that Act;
 3. Permission for, or consultation on, the diversion of farmland under Article 34 of the Farmland Act;
 4. Permission for use of agricultural production infrastructure prescribed in Article 23 of the Rearrangement of Agricultural and Fishing Villages Act and approval of a plan for a rural tourism and resort complex development project prescribed in Article 82 (2) of the aforesaid Act;
 5. Approval for, or reporting on, the establishment of a factory under Article 13 (1) of the Industrial Cluster Development and Factory Establishment Act;
 6. Consultation with, or approval from, a river management agency under Article 6 of the River Act; permission for the implementation of a river project under Article 30 of the aforesaid Act; and permission to occupy and use a river under Article 33 of the aforesaid Act;
 7. Permission to occupy and use public waters under Article 8 of the Public Waters Management and Reclamation Act; approval of an implementation plan for occupation or use under Article 17 of the aforesaid Act (excluding a site to be reclaimed with a reclamation license granted); a reclamation license of public waters under Article 28 of the aforementioned Act; consultation on, or approval for, reclamation implemented by the State or other entity prescribed in Article 35 of the aforementioned Act; and approval of an implementation plan for reclamation of public waters under Article 38 of the aforementioned Act;
 8. Approval for, or reporting on, the installation of waste disposal facilities under Article 29 of the Wastes Control Act;
 9. Authorization for a general waterworks project or an industrial waterworks project under Articles 17 or 49 of the Water Supply and Waterworks Installation Act and authorization for the installation of exclusive waterworks or exclusive industrial waterworks under Article 52 or 54 of the aforementioned Act;
 10. Authorization for or reporting on a plan for works for electric installations for private use pursuant to Article 8 of the Electrical Safety Management Act;
 11. Approval of a project plan under Article 12 of the Installation and Utilization of

Sports Facilities Act;

12. Approval of a development plan of a tourist destination or tourism complex under Article 54 of the Tourism Promotion Act;
13. Permission for a road project implemented by a person other than a road management agency under Article 36 of the Road Act; permission for the occupation and use of the roads under Article 61 of the same Act; and consultation with, and approval from, a road management agency under Article 107 of the same Act;
14. Determination of an urban/Gun management plan prescribed in Article 30 of the National Land Planning and Utilization Act; permission for development acts under Article 56 of the aforementioned Act; designation of a project implementer for the construction of an urban/Gun planning facility under Article 86 of the aforementioned Act; and authorization for an implementation plan under Article 88 of the aforesaid Act;
15. Authorization for installation of a public sewerage system (applicable only to night soil treatment facilities) under Article 11 of the Sewerage Act; permission for the implementation of a public sewerage project under Article 16 of the aforesaid Act; and permission to occupy and use a public sewerage system under Article 24 of the aforementioned Act;
16. Permission for relocation of a grave under Article 27 of the Act on Funeral Services;
17. Designation of an urban development zone under Article 3 of the Urban Development Act; formulation of an urban development project plan under Article 4 of the aforesaid Act; designation of the implementer of an urban development project under Article 11 of the aforementioned Act; authorization for, or reporting on, the establishment of an Association under Article 13 of the aforementioned Act; and authorization of an implementation plan under Article 17 of the aforesaid Act;
18. Designation of a housing site development zone under Article 3 of the Housing Site Development Promotion Act; approval of a housing site development plan under Article 8 of the aforementioned Act; and approval of an implementation plan for a housing site development project under Article 9 of the aforementioned Act;
19. Authorization for project implementation plans under Article 50 of the Act on the Maintenance and Improvement of Urban Areas and Dwelling Conditions for Residents and Article 29 of the Act on Special Cases concerning Unoccupied House or Small-Scale Housing Improvement;
20. Permission for opening a private road under Article 4 of the Private Road Act;
21. Permission for lumbering, etc. under Article 14 of the Work against Land Erosion

- or Collapse Act or cancellation of designation of an erosion control area under Article 20 of the aforementioned Act;
22. Permission for implementation of small river construction works under Article 10 of the Small River Maintenance Act;
 23. Permission to extract aggregate under Article 22 of the Aggregate Extraction Act;
 24. Permission for use of State property under Article 30 of the State Property Act;
 25. Permission for use or benefitting from public property under Article 20 of the Public Property and Commodity Management Act;
 26. Consultation on the validity of the integrated energy supply under Article 4 of the Integrated Energy Supply Act;
 27. Consultation on an energy use plan under Article 10 of the Energy Use Rationalization Act;
 28. Approval of an implementation plan for the development of a logistics complex under Article 28 of the Act on the Development and Management of Logistics Facilities;
 29. Designation of an implementer of an industrial complex development project under Article 16 of the Industrial Sites and Development Act; approval of an implementation plan for the development of a national industrial complex under Article 17 of the aforesaid Act; an amendment to an implementation plan for the development of a national industrial complex under Article 17-2 of the aforementioned Act; approval of an implementation plan for the development of a general industrial complex under Article 18 of the aforementioned Act; approval of an implementation plan for the development of an urban high-tech industrial complex under Article 18-2 of the aforementioned Act; and approval of a renovation implementation plan under Article 39-7 of the aforementioned Act.
- (2) Where the Mayor/Do Governor approves an implementation plan or a revision to such plan under Article 27 (1), he or she shall consult thereon with the heads of the related administrative agencies in charge of authorization, permission, etc. if the implementation plan includes any of the matters specified in the subparagraphs of paragraph (1). <Amended on Jan. 23, 2024>
 - (3) The heads of the related administrative agencies in charge of authorization, permission, etc. who are requested to consult pursuant to paragraph (2) shall submit their opinions within the period prescribed in Article 24 (4) of the Framework Act on Administration. <Amended on Jan. 23, 2024>
 - (4) Where the heads of the related administrative agencies in charge of authorization, permission, etc. fail to submit their opinions by the deadline prescribed in paragraph (3), it shall be deemed that the consultation is made on the day immediately following the deadline. <Amended on Jun. 9, 2020; Jan. 23, 2024>
 - (5) Except as provided in paragraphs (1) and (2), Articles 24 through 26 of the

Framework Act on Administrative Affairs shall apply mutatis mutandis to the standards, effects, etc. of constructive authorization, permission, etc. <Added on Jan. 23, 2024>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Jun. 9, 2020]

Article 29-2 (Council on Special Zone Development Projects)

- (1) If the Mayor/Do Governor deems it necessary for mediating differences in the course of consultation under Article 29 (2) and for expediting consultation, he or she may organize and operate a council on special zone development projects (hereinafter referred to as the “Council”) with the related administrative agencies in charge of authorization, permission, etc. <Amended on Jan. 23, 2024>
- (2) Matters necessary for the organization and operation of, and assistance to, the Council and other matters shall be prescribed by Presidential Decree.

[This Article Added on Jan. 26, 2012]

Article 30 (Commencement of Special Zone Development Projects)

- (1) Every special zone development project shall commence within one year from the date the relevant implementation plan is approved under Article 27 (1): Provided, That a Mayor/Do Governor may postpone the deadline for commencement of a project up to one year only on one occasion, if deemed inevitable to postpone the deadline of commencement. <Amended on Jun. 9, 2020>
- (2) If a project fails to commence by the deadline for commencement specified under paragraph (1), the approval of the relevant implementation plan shall become invalid on the day immediately following the deadline for commencement of the project. <Amended on Jun. 9, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Jun. 9, 2020]

Article 30-2 (Development Projects Implemented in Free Economic Zones)

A development project implemented in a free economic zone designated under the Act on Designation and Management of Free Economic Zones, an innovation city constructed under the Special Act on the Construction and Development of Innovation Cities, or an industrial complex developed under the Industrial Sites and Development Act, which is located in a special zone, shall be governed by the relevant Act, respectively. <Amended on Dec. 26, 2017>

[This Article Added on Jan. 26, 2012]

Article 31 (Expropriation of Land)

- (1) If deemed necessary for implementing the relevant special zone development project, a project implementer (excluding a project implementer specified in Article 26 (1) 6) may expropriate (or use; the same shall apply hereinafter) land, articles and rights as defined in Article 2 of the Act on Acquisition of and Compensation for Land for Public Works (hereinafter referred to as “land, etc.”).
- (2) For the purposes of paragraph (1), the public notice of approval of an implementation plan given under Article 28 (1) shall be deemed project approval and the public notice of project approval obtained or given under Articles 20 and 22 of the Act on Acquisition of and Compensation for Land for Public Works, and a petition for adjudication thereon may, notwithstanding Articles 23 and 28 of the same Act, be filed during the implementation period for a project specified in the relevant implementation plan pursuant to Article 27 (1) of this Act.
- (3) The Central Land Tribunal shall have jurisdiction over adjudication on the expropriation of land, etc. under paragraph (1).
- (4) Except as otherwise provided for in this Act, the Act on Acquisition of and Compensation for Land for Public Works shall apply mutatis mutandis to the expropriation of land, etc. under paragraph (1).

[This Article Wholly Amended on Jan. 26, 2012]

Article 32 (Completion Inspections)

- (1) When a project implementer wholly or partially completes a special zone development project, he or she shall first consult with the Foundation thereon (excluding where the Foundation is designated as a project implementer) and undergo a completion inspection conducted by the competent Mayor/Do Governor. In such cases, the competent Mayor/Do Governor shall consult with the heads of the related administrative agencies in charge of authorization, permission, etc. thereon in advance. <Amended on Jan. 23, 2024>
- (2) When a project implementer passes a completion inspection conducted pursuant to paragraph (1), he or she shall be deemed to pass a completion inspection or obtain approval of completion of a project under the authorization, permission, etc. granted under each subparagraph of Article 29 (1). <Amended on Jun. 9, 2020>
- (3) No one shall use any parcel of land developed or any facility installed before the completion inspection under paragraph (1): Provided, That this shall not apply where the competent Mayor/Do Governor permits the use thereof, as prescribed by Presidential Decree.
- (4) The head of the competent local government shall manage a zone of which a special zone development project is completed in accordance with the relevant district unit plan included in the implementation plan publicly notified under Article 28 (1).

[This Article Wholly Amended on Jan. 26, 2012]

Article 32-2 (Re-Investment of Development Gains)

- (1) A project implementer shall use some of development gains accrued from the relevant special zone development project for either of the following purposes, as prescribed by Presidential Decree:
 1. Reducing the sale price or rent of sites for industrial or distribution facilities in the special zone;
 2. Covering the construction cost of infrastructure or public facilities.
- (2) A project implementer shall keep separate accounts of accrued development gains from other accounts and take other necessary measures to ensure that development gains referred to in paragraph (1) can be smoothly re-invested.
- (3) Articles 8 through 12 of the Restitution of Development Gains Act shall apply mutatis mutandis to the calculation of development gains referred to in paragraph (1).

[This Article Added on Jan. 26, 2012]

Article 33 (Priority Support for Infrastructure)

The State and local governments shall give priority to providing support for the construction of infrastructure, including roads and water supply, as prescribed by Presidential Decree, in order to invigorate special zones: Provided, That industrial complexes designated under the Industrial Sites and Development Act (including national industrial complexes, general industrial complexes, and urban high-tech industrial complexes deemed designated under Article 43 (1)), which are located in a special zone, shall be governed by the aforesaid Act.

[This Article Wholly Amended on Jan. 26, 2012]

Article 33-2 (Bearing of Expenses)

- (1) Expenses incurred in implementing a special zone development project shall be borne by the relevant project implementer: Provided, That the State or a local government may partially subsidize a project implementer for expenses incurred in implementing a special zone development project, as prescribed by Presidential Decree.
- (2) Expense items for which a State or local government may partially subsidize under the proviso of paragraph (1) and the ratio of subsidization shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER VII

MANAGEMENT OF SPECIAL ZONES

Article 34 (Managing Authority of Special Zones)

- (1) The managing authority of a special zone shall be the Minister of Science and ICT, and the management agency shall be the Foundation. <Added on Dec. 22, 2020>
- (2) The Minister of Science and ICT shall formulate or revise a special zone management plan after hearing the opinion thereon from the competent Mayor/Do Governor and consulting with the heads of related central administrative agencies thereon, and publicly notify the special zone management plan so formulated or revised: Provided, That the procedure for hearing opinions and consultation shall be omitted for any modification to minor matters prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>
- (3) A special zone management plan referred to in paragraph (2) (hereinafter referred to as “special zone management plan”) shall include the following: <Amended on Dec. 22, 2020>
 1. Basic direction-setting for the management of the relevant special zone;
 2. Location and area of the special zone;
 3. A plan for the zoning and management of land in the special zone by its use;
 4. Construction of infrastructure in the special zone, such as water supply, energy, communications, transportation, and distribution facilities;
 5. Matters regarding the conservation of greenbelts and the environment.
- (4) The Minister of Science and ICT shall forward a special zone management plan formulated and publicly notified under paragraph (2) to the heads of related central administrative agencies and the competent Mayor/Do Governor, and, upon receipt of such plan, the Mayor/Do Governor shall, without delay, make copies of relevant documents and drawings available to the general public for inspection. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>
- (5) Where a structure improvement project plan is approved and publicly notified pursuant to Article 45-2 (9) of the Industrial Cluster Development and Factory Establishment Act, a special zone management plan under paragraph (2) shall be deemed amended. In such cases, an entity that has formulated a structure improvement project plan shall consult with the Minister of Science and ICT and the Foundation, before formulating the structure improvement project plan. <Added on Apr. 20, 2021; Jan. 9, 2024>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Dec. 22, 2020]

Article 35 (Zoning of Land by Use)

- (1) Land shall be classified into the following areas by its use pursuant to Article 34 (3)

3: <Amended on Dec. 22, 2020>

1. A residential area: An area necessary for the dwelling of people residing in a special zone and for the protection of a healthy living environment;
 2. A commercial area: An area necessary for commercial and business functions in a special zone;
 3. A green area: An area necessary for the preservation of greenbelts to create a pleasant research environment in a special zone;
 4. An area for educational, research and commercialization facilities: An area necessary for enhancing the efficiency of education and research and promoting the commercialization of outcomes from research and development projects by concentrating facilities and buildings for education and research, and commercialization of outcomes from research and development projects to exchange information among institutions in a special zone and to share research instruments;
 5. An area for industrial facilities: An area necessary for production activities of high-tech companies, etc. in a special zone.
- (2) Where the Minister of Science and ICT deems it necessary, or upon receipt of a request from a Mayor/Do Governor, the Minister of Science and ICT may divide a residential area under paragraph (1) 1 and an area for industrial facilities under paragraph (1) 5 into subdivisions according to the relevant special zone management plan, as prescribed by Presidential Decree: Provided, That the Minister of Science and ICT shall consult with the head of the relevant central administrative agency thereon, where an area for industrial facilities under paragraph (1) 5 overlaps with a national industrial complex under subparagraph 8 (a) of Article 2 of the Industrial Sites and Development Act. <Amended on Mar. 27, 2015; Jul. 26, 2017>
- (3) The Minister of Science and ICT may request the Minister of Land, Infrastructure and Transport and the head of the competent local government to reflect the details of matters that shall be determined by an urban/Gun plan under the National Land Planning and Utilization Act, among matters included in a special zone management plan formulated and announced under Article 34 (2) in the relevant urban/Gun plan. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>
- [This Article Wholly Amended on Jan. 26, 2012]

Article 36 (Regulation on Building Activities)

- (1) In order to maintain a pleasant research environment in the areas specified in the subparagraphs of Article 35 (1), the Minister of Science and ICT may place partial restrictions on the types of buildings, the construction of which is permitted in the special-purpose areas designated under Article 76 of the National Land Planning

and Utilization Act, as prescribed by Presidential Decree, following consultation with the Minister of Land, Infrastructure and Transport and the head of the competent local government. <Amended on Mar. 23, 2013; Jul. 26, 2017>

- (2) To ensure that the buildings constructed in a special zone are appropriate for the functions of the special zone, the head of the competent local government may organize a subcommittee within the Building Committee under Article 4 of the Building Act to examine the designs of buildings in excess of the size prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 37 (Contracts to Move into Special Zones)

- (1) A person who intends to move into an area for educational, research, and commercialization facilities shall enter into a contract to move into the area with the relevant management agency. The foregoing shall also apply where a person who intends to revise any matter prescribed by Presidential Decree among matters specified in a contract to move into the area. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>
- (2) A person who enters into a contract to move into an area for educational, research, and commercialization facilities under paragraph (1) shall be deemed to have obtained approval for establishment of a factory pursuant to Article 13 of the Industrial Cluster Development and Factory Establishment Act. <Amended on Dec. 22, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Dec. 22, 2020]

Article 37-2 (Establishment and Operation of Occupancy Management System)

- (1) The Minister of Science and ICT may establish and operate an occupancy management system (hereinafter referred to as the “occupancy management system”) that can comprehensively manage information on occupancy management in order to improve the convenience and work efficiency of resident institutes.
- (2) For the management of special zones, the Minister of Science and ICT may request relevant entities, organizations, etc. to provide data necessary for the occupancy, sale, lease, and follow-up management of resident institutes. In such cases, relevant entities, organizations, etc. shall comply with the request in the absence of special reasons to the contrary.
- (3) The Minister of Science and ICT may require relevant entities and organizations to use the occupancy management system. In such cases, the relevant entities and organizations shall cooperate in the establishment and operation of the occupancy

management system.

- (4) The Minister of Science and ICT shall prepare policy measures necessary for protecting personal information in the entire process of establishing and operating the occupancy management system.
- (5) Matters necessary for the establishment and operation of the occupancy management system, including tasks handled by the occupancy management system, shall be prescribed by Presidential Decree.

[This Article Added on Jan. 23, 2024]

Article 38 (Restrictions on Transfer of Building Sites)

- (1) If a resident institution intends to transfer a building site, facility, or building (hereinafter referred to as “building or other facility”) in an area for educational, research, and commercialization facilities, it shall file a report thereon with the relevant management agency, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>
- (2) A person who intends to acquire, lease, rent for use, sublease a building or other facilities in an area for educational, research, and commercialization facilities or who intends to acquire the leasehold of buildings or other facilities on a deposit basis shall, in advance, enter into a contract to move into the area pursuant to Article 37. <Amended on Dec. 22, 2020>
- (3) The transfer price of a building or other facilities referred to in paragraph (1) shall not exceed any of the following amounts: <Amended on Jan. 19, 2016; Apr. 7, 2020>
 1. Transfer price of a building site: The aggregate of the following amounts:
 - (a) The acquisition price of the building site;
 - (b) An amount calculated by multiplying the acquisition price by the increase rate of producer price (referring to the rate calculated with the producer price index surveyed and published by the Bank of Korea pursuant to Article 86 of the Bank of Korea Act) of the building site during the period from the date of acquisition to the date of transfer;
 - (c) Expenses prescribed by Presidential Decree;
 2. Transfer price of a facility or building: The amount appraised by an appraiser corporation, etc. under the Act on Appraisal and Certified Appraisers.
- (4) Matters necessary for the calculation of transfer prices under paragraph (3), including acquisition prices and the date of acquisition, shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 39 (Acquisition of Buildings through Auction)

A person who acquires a building or facility in an area for educational, research, and

commercialization facilities from a resident institute through an auction or pursuant to any other statute shall enter into a contract to move into the area pursuant to Article 37 within six months from the date of acquisition. <Amended on Dec. 22, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

Article 40 (Termination of Contracts to Move into Special Zones)

- (1) If a resident institute falls under any of the following, the relevant management agency may issue a corrective order to the resident institute, which shall be complied with within a specified period not longer than six months, and may terminate a contract to move into a special zone, if the resident institute fails to comply with the order: <Amended on Mar. 23, 2013; Jul. 26, 2017; Apr. 17, 2018; Dec. 22, 2020>
 1. Where a resident institute fails to commence, without a justifiable ground, installation works of facility or construction works of building within one year after entering into a contract to move into a special zone;
 2. Where it is deemed impracticable to install a facility or to construct a building;
 3. Where a resident institute fails to commence, without a justifiable ground, the relevant task within six months after the completion of the facility or building or fails to conduct the relevant affairs for at least six consecutive months;
 4. Where a resident institute fails to enter into a contract to revise any matter specified in a contract to move into the special zone (hereinafter referred to as “revised contract to move into a special zone”), in violation of Article 37;
 5. Where a resident institute transfers a building or other facility to any third person in violation of Article 38 (1).
- (2) A resident institute whose contract to move into a special zone is terminated under paragraph (1) shall suspend its business affairs immediately, excluding the business affairs prescribed by Presidential Decree, such as settlement of pending transactions. <Amended on Dec. 22, 2020>
- (3) Where a management agency intends to terminate a contract to move into a special zone pursuant to paragraph (1), he or she shall hear the opinions of the relevant party to such contract. <Amended on Dec. 22, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

[Title Amended on Dec. 22, 2020]

Article 41 (Orders to Transfer Buildings)

- (1) The Minister of Science and ICT may order a person who fails to enter into a contract to move into a special zone pursuant to Article 37 (including where a person shall enter into a contract to move into a special zone pursuant to Article 38 (2) or 39) or a resident institute whose contract to move into a special zone is terminated under

Article 40 (1) to transfer the building or other facility that the person or institute owns in the area for educational, research and commercialization facilities within a specified period not less than six months. The foregoing shall also apply where a resident institute permanently closes its business. <Amended on Mar. 23, 2013; Jul. 26, 2017; Dec. 22, 2020>

- (2) Article 38 (3) and (4) shall apply mutatis mutandis to the transfer of building or other facility pursuant to paragraph (1).

[This Article Wholly Amended on Jan. 26, 2012]

Article 42 (Restrictions on Permission for Construction)

No head of any competent local government shall permit any of the following persons to either install a facility or construct a building in an area for educational, research and commercialization facilities or operate a business in such area pursuant to any relevant statute or regulation: <Amended on Dec. 22, 2020>

1. A person who fails to enter into a contract to move into the area pursuant to Article 37 or who fails to enter into a revised contract to move into the area;
2. A resident institute whose contract to move into the area is terminated pursuant to Article 40 (1).

[This Article Wholly Amended on Jan. 26, 2012]

Article 43 (Special Cases regarding Industrial Complexes)

- (1) When a special zone development plan is publicly announced, the relevant special zone shall be deemed designated as a national industrial complex, general industrial complex, or urban high-tech industrial complex as defined in subparagraph 8 (a) through (c) of Article 2 of the Industrial Sites and Development Act, depending upon the details of the plan.
- (2) Notwithstanding Article 30 (2) of the Industrial Cluster Development and Factory Establishment Act and Article 18 (5) of the Foreign Investment Promotion Act, the Foundation shall manage special zones: Provided, That the Foundation shall entrust the management of the following areas within a special zone to the following institutions or specialized institutions prescribed by Presidential Decree: <Amended on Dec. 8, 2020; Dec. 22, 2020>

1. A national industrial complex as defined in subparagraph 8 (a) of Article 2 of the Industrial Sites and Development Act: The Korea Industrial Complex Corporation under Article 45-17 of the Industrial Cluster Development and Factory Establishment Act;
2. An area prescribed by Presidential Decree among general industrial complexes as defined in subparagraph 8 (b) of Article 2 of the Industrial Sites and Development Act and urban high-tech industrial complexes as defined in

subparagraph 8 (c) of Article 2 of the aforesaid Act: The Industrial Complex Administration Corporation entrusted with administration affairs under Article 31 (1) of the Industrial Cluster Development and Factory Establishment Act.

- (3) The Foundation shall formulate regulations on business operations for the management of special zones and shall obtain approval thereof from the Minister of Science and ICT. The foregoing shall also apply where the Foundation intends to amend approved regulations. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (4) Except as otherwise provided for in this Act, the Industrial Cluster Development and Factory Establishment Act shall apply mutatis mutandis to the management of areas for industrial facilities.
- (5) An institution that manages special zones under paragraph (2) shall enter into an agreement with the Foundation on the management of the special zones, as prescribed by Presidential Decree. <Amended on Dec. 22, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

Article 44 (Special Cases regarding the National Land Planning and Utilization Act)

Notwithstanding Articles 77 and 78 of the National Land Planning and Utilization Act, the competent local government may prescribe different maximum limits on the building-to-land ratios and the floor area ratios by municipal ordinance within the limits prescribed by Presidential Decree, if necessary for the promotion of a special zone.

[This Article Wholly Amended on Jan. 26, 2012]

Article 45 (Stabilization of Real Estate Prices in Special Zones)

- (1) The Minister of Science and ICT, the heads of related central administrative agencies, and Mayors/Do Governors shall take measures necessary for stabilizing real estate prices, including land and buildings in special zones and adjacent areas. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) A Mayor/Do Governor shall request the heads of related central administrative agencies to take the following measures for an area in a special zone, if speculative investment in real estate or a rapid increase in real estate prices is expected to occur in such area: <Amended on Jan. 19, 2016>
 1. Designation of the area as an area provided for in Article 104-2 (1) of the Income Tax Act;
 2. Designation of the area as an overheated speculation district provided for in Article 63 of the Housing Act;
 3. Designation of the area as an area subject to permission for land transaction contracts under Article 10 of the Act on Report on Real Estate Transactions;
 4. Other measures necessary for stabilizing real estate prices.

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER VIII

FOUNDATION OF SPECIAL RESEARCH AND DEVELOPMENT ZONES

Article 46 (Establishment)

- (1) A Foundation of Special Research and Development Zones shall be established in a special zone in order to efficiently implement projects for promoting special zones.
- (2) The Foundation shall be a legal entity.
- (3) The Foundation shall be duly formed when the registration for its establishment is completed at the registry office having jurisdiction over its principal place of business.
- (4) Matters necessary for the registration of establishment of the Foundation shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 47 (Articles of Association)

- (1) The Foundation's articles of association shall include the following:
 1. Purposes;
 2. Name;
 3. Locations of its principal place of business and branch offices;
 4. Matters regarding business affairs and the execution thereof;
 5. Matters regarding property and accounting;
 6. Matters regarding executive officers and employees;
 7. Matters regarding the board of directors;
 8. Matters regarding the amendment of articles of incorporation;
 9. Matters regarding public announcement;
 10. Other necessary matters.
- (2) When the Foundation intends to amend its articles of association, it shall obtain authorization therefor from the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 48 (Business Activities)

- (1) The scope of business of the Foundation shall be as follows: <Amended on Mar. 23, 2013; Mar. 11, 2015; Jul. 26, 2017; Dec. 22, 2020>
 1. The following business activities for the development, management, and operation of special zones:
 - (a) Acquisition, development, supply, and management of land, buildings, and facilities, equipment, and materials for research and development;

- (b) Construction of infrastructure, such as facilities for water supply, energy, information and communications, transportation, and distribution;
 - (c) Invitation, establishment, management, and operation of educational, health, medical service, culture, sports, and welfare facilities to improve the living environment in special zones, including schools and hospitals;
 - (d) Exhibition and advertising of outcomes from research and development projects and establishment and invitation of facilities to raise awareness of the importance of science and technology;
 - (e) Business activities for assistance in establishing a special zone management plan and the execution of such plan;
 - (f) Business activities for sale and lease in the areas for educational, research, and commercialization facilities and the areas for industrial facilities, follow-up management of such sale and lease, and moving into such areas;
 - (g) Business activities for upgrading the structure of special zones;
 - (h) Business activities for the establishment of environment-friendly special zones and the prevention of environmental pollution;
 - (i) Other necessary business activities concerning the operation of special zones, including assistance in activities of resident companies and resident institutes;
2. The following business activities to facilitate research and development projects in special zones and commercialize the outcomes therefrom:
- (a) Assistance in implementing projects for special zone promotion projects;
 - (b) Enhancing exchange among universities, research institutes, and companies;
 - (c) Assistance in managing intellectual property rights;
 - (d) Assistance to professors, researchers, etc. in starting up a new business;
 - (e) Assistance in commercialization projects;
 - (f) Training and education of human resources specializing in research and development and human resources supporting commercialization;
 - (g) Providing services for assisting companies, etc. in business management;
 - (h) Participating in an investment association specified in Article 17;
3. The following business activities for inviting investment in special zones:
- (a) Inviting investment from domestic and foreign investors and marketing and public relations for such activities;
 - (b) Comprehensive assistance to domestic and foreign investors, including consulting and information services and public relations, surveys on domestic and foreign investors, and agency services for processing civil petitions;
 - (c) Other business activities necessary for assisting Koreans and foreigners in

investment;

4. For-profit business activities determined by the Minister of Science and ICT;
 5. Other business affairs entrusted by the Minister of Science and ICT, the head of a related central administrative agency, or the head of a local government.
- (2) The Foundation shall establish a supporting organization for each special zone in order to assist each special zone in specialized and differentiated development and to efficiently implement each special zone promotion project.

[This Article Wholly Amended on Jan. 26, 2012]

Article 48-2 (Assistance in Establishment and Operation of Workplace Child Care Facilities)

The Foundation shall assist resident institutes in special zones in establishing and operating workplace child care facilities referred to in subparagraph 4 of Article 10 of the Infant Care Act.

[This Article Added on Jan. 26, 2012]

Article 49 (Executive Officers)

- (1) The Foundation shall have no more than 15 directors, including one President, and one auditor.
- (2) The President shall be appointed or dismissed by the Minister of Science and ICT, after prior resolution at the board of directors. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) Directors and the auditor shall be appointed at the board of directors, as stipulated by articles of association, and subject to approval from the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (4) The term of office of the President and directors shall be three years and may be renewed consecutively.
- (5) The term of office of the auditor shall be two years and may be renewed for only one further term.
- (6) If the office of an executive officer becomes vacant, a new executive officer shall be appointed or elected to fill the vacancy, and the term of office of such executive officer shall begin on the date of appointment or election. <Amended on Jun. 9, 2020>

[This Article Wholly Amended on Jan. 26, 2012]

Article 50 (Duties of Executive Officers)

- (1) The President shall represent the Foundation and supervise all business affairs of the Foundation.
- (2) If the President is unable to perform his or her duties due to extenuating

circumstances, the person specified by articles of association shall act on behalf of the President.

- (3) The auditor shall audit the business affairs and accounting of the Foundation.

[This Article Wholly Amended on Jan. 26, 2012]

Article 51 (Appointment of Agents)

The President may appoint an employee as an agent duly authorized to do all judicial or extrajudicial acts with respect to business affairs of the Foundation, as stipulated by articles of association.

[This Article Wholly Amended on Jan. 26, 2012]

Article 52 (Restrictions on Power of Representation)

The President shall not represent the Foundation, but the auditor shall represent the Foundation instead with regard to any matter in which the Foundation's interest conflicts with the President's interest.

[This Article Wholly Amended on Jan. 26, 2012]

Article 53 (Grounds for Disqualification of Executive Officers)

- (1) None of the following persons shall be qualified to serve as an executive officer of the Foundation: <Amended on May 28, 2014; Jun. 9, 2020; Apr. 20, 2021>
1. A minor;
 2. A person declared bankrupt but not yet reinstated;
 3. A person for whom five years have not passed since his or her imprisonment without labor or heavier punishment declared by a court was completely executed (including where it is deemed to have been completely executed) or exempted;
 4. A person for whom two years have not passed since the period of suspension of the execution of his or her imprisonment without labor or heavier punishment declared by a court ended;
 5. A person whose qualification is suspended or forfeited under an Act or by a court ruling.
- (2) Where an executive officer becomes to fall under any subparagraph of paragraph (1) or where it is found that he or she fell under such subparagraph at the time of appointment, he or she shall ipso facto resign from the office of the executive officer. <Added on Apr. 20, 2021>
- (3) Any act in which an executive officer who has resigned pursuant to paragraph (2) engaged before his or her resignation shall remain in effect. <Added on Apr. 20, 2021>

[This Article Wholly Amended on Jan. 26, 2012]

Article 54 (Board of Directors)

- (1) The Foundation shall have the board of directors to pass resolutions on important matters of the Foundation.
- (2) The board of directors shall be comprised of the President and directors.
- (3) The President shall call meetings of the board of directors and preside over the meetings.
- (4) The board of directors shall pass a resolution with a majority of all incumbent directors present and with the affirmative vote of a majority of those present at the meeting.
- (5) The auditor may attend a meeting of the board of directors and present his or her opinions.

[This Article Wholly Amended on Jan. 26, 2012]

Article 55 (Appointment or Dismissal of Employees)

Employees of the Foundation shall be appointed or dismissed by the President, as stipulated by articles of association.

[This Article Wholly Amended on Jan. 26, 2012]

Article 56 (Prohibition of Divulgence of Confidential Information)

A member of the committee who is not a public official or who falls under any of the following subparagraphs shall divulge or illegally use any confidential information he or she has learned in the course of performing his or her duties: <Amended on Dec. 24, 2018; Jun. 9, 2020; Mar. 21, 2023>

1. A current or former executive officer or employee of the Foundation;
2. A person who is or was a member of the Committee;
3. A current or former executive officer or employee of a testing and inspection agency under Article 16-2 (9).

[This Article Wholly Amended on Jan. 26, 2012]

Article 57 (Requests for Dispatching of Public Officials)

If the Foundation deems it necessary for conducting its business affairs, it may request a related administrative agency, corporation, or organization to dispatch a public official under Article 2 of the State Public Officials Act and Article 2 of the Local Public Officials Act or executive officer or employee of the corporation or organization, as prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 58 (Funding)

The Foundation shall procure funds necessary for performing its business activities under Article 48 from the following financial sources:

1. Contributions or subsidies from the Government or any person other than the Government;
2. Funds raised by issuing bonds;
3. Loans (including funds or commodities borrowed or imported from foreign countries; the same shall apply hereinafter);
4. Profits from for-profit business activities;
5. Other revenues.

[This Article Wholly Amended on Jan. 26, 2012]

Article 58-2 (Contributions and Subsidies)

The State and local governments may provide contributions or subsidies for expenses incurred in establishing and operating the facilities of the Foundation and the cost required for the business activities of the Foundation under Article 48, within budgetary limits.

[This Article Wholly Amended on Jan. 26, 2012]

Article 59 (Lease of State Property)

- (1) If deemed necessary for efficiently performing business activities of the Foundation under Article 48, the State may lease State property (including industrial property rights: the same shall apply hereinafter) gratuitously to the Foundation or may permit the Foundation to use or benefit from State property.
- (2) The Foundation may construct a building or any other permanent structure on the State property lent or permitted to use pursuant to paragraph (1).
- (3) Details, terms and conditions of, and procedure for gratuitous lease, use or benefitting from State property under paragraph (1) shall be stipulated by an agreement entered into between the head of the central government agency responsible for the management of the property or commodities and the Foundation.
- (4) If the Foundation requests the State or a local government to provide a loan for the purchase of the land to be leased to research-based spin-off companies or advanced technology enterprises or to grant a subsidy for other funds necessary for special zone promotion projects, the State or local government may provide such loan or subsidy.

[This Article Wholly Amended on Jan. 26, 2012]

Article 60 (Approval of Budget Bills)

The Foundation shall formulate a business plan and a budget bill for the following year

and obtain approval thereof from the Minister of Science and ICT before the beginning of each business year. The foregoing shall also apply where it intends to revise a business plan or a budget bill. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 61 (Reports on Settlement of Accounts)

The Foundation shall submit a report on the settlement of revenues and expenditures of each business year to the Minister of Science and ICT, along with a statement of business performance for the relevant year, by no later than the end of February of the following year. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 62 (Business Year)

Each business year of the Foundation shall coincide with each fiscal year of the Government.

[This Article Wholly Amended on Jan. 26, 2012]

Article 63 (Accounting Regulations)

The Foundation shall establish regulations on its organization, budgeting, etc. and shall obtain approval thereof from the Minister of Science and ICT. The foregoing shall also apply where the Foundation intends to amend such regulations. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 64 (Borrowing of Funds)

- (1) If the Foundation deems it necessary for performing its business activities under Article 48, it may borrow funds (including funds or commodities borrowed or imported from foreign countries; the same shall apply hereinafter) with approval therefor from the Minister of Science and ICT. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) When the Minister of Science and ICT intends to approve the borrowing of funds pursuant to paragraph (1), he or she shall first consult with the heads of related central administrative agencies. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 65 (Investment in Projects)

If the Foundation deems it necessary for efficiently performing its business activities under Article 48, it may invest in or contribute to related projects, as prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 66 (Issuance of Bonds)

- (1) The Foundation may issue bonds to raise funds necessary for its business activities under Article 48.
- (2) When the Foundation intends to issue bonds pursuant to paragraph (1), it shall obtain approval from the Minister of Science and ICT. In such cases, the Minister of Science and ICT shall first consult with the heads of related central administrative agencies thereon. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) The Government may guarantee the payment of principal of, and interest on, the bonds issued by the Foundation.
- (4) The Government may partially subsidize the Foundation for expenses incurred in paying interest on the bonds issued by the Foundation.
- (5) The periods of extinctive prescription of bonds shall be five years for principal and two years for interest from the due date of payment, respectively.
- (6) Except as provided in paragraphs (1) through (5), matters necessary for the issuance of bonds and other matters shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Jan. 26, 2012]

Article 67 (Instruction and Supervision)

- (1) The Minister of Science and ICT shall instruct and supervise the Foundation and may require the Foundation to report on its business affairs, accounting, and property, or may authorize public officials of the Ministry to inspect accounting books, documents, facilities, and other things. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) If a violation of any statute or regulation or an offense is discovered as a result of a report filed or an inspection conducted pursuant to paragraph (1), the Minister of Science and ICT may order the Foundation to rectify such violation or offense. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) A person who conducts an inspection pursuant to paragraph (1) shall carry a certificate of identification indicating his or her authority and produce it to related persons.

[This Article Wholly Amended on Jan. 26, 2012]

Article 68 (Ownership of Residual Property)

The Act on the Establishment and Operation of Public-Service Corporations shall apply *mutatis mutandis* to the disposal of residual property when the Foundation is dissolved.

[This Article Wholly Amended on Jan. 26, 2012]

Article 69 (Application Mutatis Mutandis of the Civil Act)

Except as otherwise provided for in this Act, the provisions regarding incorporated foundations in the Civil Act shall apply mutatis mutandis to the organization and operation of the Foundation and other matters.

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER IX SUPPLEMENTARY RULES

Article 70 (Non-Performance Penalties)

- (1) If a person fails to comply with a transfer order within a specified period without a justifiable ground upon receipt of the transfer order issued under Article 41 (1), the Minister of Science and ICT shall determine a deadline for compliance not exceeding six months, and shall impose an amount equivalent to 20/100 of the value of the property to be transferred as a non-performance penalty on such person, if the person fails to comply with the transfer order by the deadline. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT shall give written notice of his or her intention to impose and collect a non-performance penalty under paragraph (1) before imposing the non-performance penalty under paragraph (1). <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (3) When the Minister of Science and ICT imposes a non-performance penalty under paragraph (1), he or she shall do so in writing stating the amount of the non-performance penalty, the ground for imposing the non-performance penalty, the payment deadline of the non-performance penalty, the receiving agencies, the method of filing an objection, the agency with which an objection shall be filed, etc. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (4) The Minister of Science and ICT may impose and collect non-performance penalties under paragraph (1) repeatedly once each every year from the day the transfer order is issued under Article 41 (1) until the person concerned complies with the transfer order. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (5) When a person to whom a transfer order was issued complies with the transfer order, the Minister of Science and ICT shall discontinue the imposition of non-performance penalties, but shall collect non-performance penalties already imposed. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (6) If a person upon whom a non-performance penalty was imposed under paragraph (3) fails to pay it by the payment deadline, the Minister of Science and ICT shall collect it in the same manner as delinquent national taxes are collected. <Amended

on Mar. 23, 2013; Jul. 26, 2017›
[This Article Wholly Amended on Jan. 26, 2012]

Article 71 (Reporting to National Assembly)

The Minister of Science and ICT shall prepare a report on the implementation progress of special zones every year, and after having a consultation with a Mayor/Do Governor thereon, shall submit a report for the relevant year to the National Assembly by June 30 of the following year. <Amended by Mar. 23, 2013; Jul. 26, 2017; Jan. 11, 2022>

[This Article Wholly Amended on Jan. 26, 2012]

Article 72 (Delegation or Entrustment of Administrative Authority)

- (1) The Minister of Science and ICT may partially delegate his or her authority vested under this Act to Mayors/Do Governors, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017>
- (2) The Minister of Science and ICT or a Mayor/Do Governor may partially entrust business affairs regarding special zones under this Act to the Foundation, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Jul. 26, 2017>

[This Article Wholly Amended on Jan. 26, 2012]

Article 73 (Legal Fiction as Public Officials in Application of Penalty Provisions)

A member of the Committee who is not a public official or who falls under any of the following subparagraphs shall be deemed a public official in application of Articles 129 through 132 of the Criminal Act. <Amended on Dec. 24, 2018; Jun. 9, 2020; Mar. 21, 2023>

1. Executive officers of the Foundation;
2. Employees of the Foundation who conduct business affairs entrusted pursuant to Article 72 (2);
3. Members of the Committee;
4. Executive officers or employees of a testing and inspection agency under Article 16-2 (9).

[This Article Wholly Amended on Jan. 26, 2012]

CHAPTER X PENALTY PROVISIONS

Article 74 (Penalty Provisions)

- (1) Any person who moves into an area without entering into a contract to move into the area or revises any matter specified in a contract to move into an area without a revised contract to move into the area in violation of Article 37 (including where

a person shall enter into a contract to move into an area under Articles 38 (2) and 39) shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 30 million won.

- (2) Any of the following persons shall be punished by imprisonment with labor for not more than two years or by a fine not exceeding 20 million won: <Amended on Mar. 21, 2023>
1. A person who obtains regulatory exemptions for demonstration under Article 16-2 (3) by fraud or other improper means;
 2. A person who is granted temporary permission under Article 16-7 (4) by fraud or other improper means;
 3. A person who divulges or illegally uses any confidential information he or she has learned in the course of performing his or her duties, in violation of Article 56.

[This Article Wholly Amended on Dec. 22, 2020]

Article 75 (Joint Penalty Provisions)

If the representative of a corporation or an agent, employee or other servant of the corporation or an individual commits an offense specified in Article 74 in connection with the business duties of the corporation or the individual, not only shall such offender be punished, but also the corporation or individual shall be punished by a fine specified in the relevant provisions: Provided, That this shall not apply where such corporation or individual has not been negligent in giving due attention and supervision concerning the relevant duties to prevent such offense. <Amended on Jun. 9, 2020; Dec. 22, 2020; Mar. 21, 2023>

[This Article Wholly Amended on Dec. 26, 2008]

Article 76 (Administrative Fines)

- (1) Any of the following persons shall be subject to an administrative fine not exceeding 20 million won: <Amended on Dec. 22, 2020>
1. A person who transfers a building or other facility without filing a report thereon, in violation of Article 38 (1);
 2. A resident institute that continues its business operations, in violation of Article 40 (2).
- (2) Any of the following persons shall be subject to an administrative fine not exceeding 10 million won: <Added on Jun. 9, 2020; Mar. 21, 2023>
1. A person who fails to comply with the conditions under the latter part of Article 16-2 (3);
 2. A person who fails to submit the results of the application of regulatory exemptions for demonstration to the Minister of Science and ICT and the heads

- of related agencies, in violation of Article 16-3 (3);
3. A person who fails to purchase liability insurance, in violation of Article 16-3 (7) (excluding where a separate compensation plan is prepared in accordance with the proviso of Article 16-3 (7));
 4. A person who fails to comply with any order issued under Article 16-5 (2);
 5. A person who uses or provides the relevant new technologies even after the granting of regulatory exemptions for demonstration is revoked, in violation of Article 16-5 (4).
 6. A person who fails to comply with the conditions referred to in the latter part of Article 16-7 (4);
 7. A person who fails to purchase liability insurance, in violation of Article 16-7 (13) (excluding cases where a person prepares a separate compensation plan in accordance with that paragraph);
 8. A person who fails to comply with any order issued under Article 16-8 (2);
 9. A person who sells, uses, or provides the relevant services or products of new technologies even after temporary permission has been canceled for violation of Article 16-8 (4).
- (3) A person who refuses, obstructs, or evades an investigation or inspection under Article 9-3 (7) shall be subject to an administrative fine not exceeding five million won. <Added on Dec. 28, 2021>
- (4) Administrative fines under paragraphs (1) through (3) shall be imposed and collected by the Minister of Science and ICT, as prescribed by Presidential Decree. <Amended on Mar. 23, 2013; Feb. 3, 2015; Jul. 26, 2017; Jun. 9, 2020; Dec. 28, 2021>
- [This Article Wholly Amended on Jan. 26, 2012]

ADDENDA <Act No. 7363, Jan. 27, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Repealed Statutes)

The Daedeok Science Town Management Act shall be repealed.

Article 3 (Preparing Establishment of Headquarters for Supporting Daedeok Special Research and Development Zone)

- (1) The Minister of Science and Technology shall establish the Establishment Committee of Headquarters for Supporting Daedeok Special Research and Development Zone (hereinafter referred to as the “Establishment Committee”), so as to be able to deal with affairs related to the establishment of the headquarters for supporting Daedeok special research and development zone, within three months after the date of the promulgation of this Act.
- (2) The Establishment Committee shall be comprised of not more than seven

incorporators appointed by the Minister of Science and Technology.

- (3) The Establishment Committee shall draw up the articles of incorporation of the headquarters for supporting Daedeok special research and development zone and receive authorization from the Minister of Science and Technology.
- (4) The director general of the headquarters for supporting Daedeok special research and development zone as at the time of its establishment shall be appointed by the Minister of Science and Technology.
- (5) When the Establishment Committee receives authorization under paragraph (3), it shall register the establishment of the headquarters for supporting Daedeok special research and development zone within two weeks and transfer business to the director general.
- (6) Any institution which performs duties under the jurisdiction of the headquarters for supporting Daedeok special research and development zone under this Act in the Daedeok special research and development zone as at the time this Act enters into force shall perform such duties until the headquarters for supporting Daedeok special research and development zone are established.

Article 4 (Transitional Measures concerning Previous Daedeok Science Town Management Plans)

Science town management plans under Article 4 of the previous Daedeok Science Town Management Act as at the time this Act enters into force, shall have effects until Daedeok special research and development zone management plans under Article 34 of this Act take effect.

Article 5 (Transitional Measures concerning Disposition)

Approval for moving-in, revocation thereof, approval for the transfer of sites, a transfer order, the imposition of charges for compelling compliance under the previous Daedeok Science Town Management Act as at the time this Act enters into force shall be deemed activities under this Act.

Article 6 (Transitional Measures concerning Penalty Provisions and Administrative Fines)

Penalty provisions and administrative fines against acts committed before this Act enters into force shall be governed by the previous Daedeok Science Town Management Act.

Article 7 (Relationship to Other Statutes or Regulations)

A citation of the provision of the Daedeok Science Town Management Act by any other statute or regulation in force as at the time this Act enters into force shall be deemed to be a citation of this Act or the corresponding provision hereof in lieu of the previous provision, if such a corresponding provision exists herein.

ADDENDA <Act No. 7604, Jul. 21, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 7678, Aug. 4, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 12 Omitted.

ADDENDA <Act No. 7837, Dec. 31, 2005>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2006 (Proviso Omitted).

Articles 2 through 22 Omitted.

ADDENDA <Act No. 7995, Sep. 27, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 6 Omitted.

ADDENDA <Act No. 8108, Dec. 28, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Act No. 8337, Apr. 6, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 9 Omitted.

ADDENDA <Act No. 8343, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 12 Omitted.

ADDENDA <Act No. 8351, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 15 Omitted.

ADDENDA <Act No. 8352, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 16 Omitted.

ADDENDA <Act No. 8361, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDA <Act No. 8370, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 20 Omitted.

ADDENDA <Act No. 8371, Apr. 11, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDA <Act No. 8616, Aug. 3, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 12 Omitted.

ADDENDA <Act No. 8800, Dec. 27, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force eight months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Act No. 8819, Dec. 27, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso

Omitted.)

Articles 2 through 9 Omitted.

ADDENDA <Act No. 8820, Dec. 27, 2007>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 9 Omitted.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. Provided, That ... <omitted> ... the amendments to the statutes to be amended pursuant to Article 6 of the Addenda, which were promulgated before this Act enters into force but the enforcement dates of which have yet to arrive, shall enter into force on the enforcement date of the relevant statute.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 8976, Mar. 21, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDA <Act No. 9037, Mar. 28, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2009.

Articles 2 through 19 Omitted.

ADDENDA <Act No. 9045, Mar. 28, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Articles 2 through 8 Omitted.

ADDENDUM <Act No. 9220, Dec. 26, 2008>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 9401, Jan. 30, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso

Omitted.)

Articles 2 through 11 Omitted.

ADDENDUM <Act No. 9497, Mar. 18, 2009>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 9629, Apr. 22, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 9685, May 21, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 8 Omitted.

ADDENDA <Act No. 9758, Jun. 9, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 23 Omitted.

ADDENDA <Act No. 9763, Jun. 9, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force nine months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 8 Omitted.

ADDENDA <Act No. 9859, Dec. 29, 2009>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) Omitted.

(3) Omitted.

ADDENDA <Act No. 9881, Dec. 30, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Article 2 (Transitional Measures)

(1) Advanced technology enterprises designated under the previous provisions

as at the time this Act enters into force, shall be deemed advanced technology enterprises designated under the amended provisions of Article 9.

- (2) Companies related to research institutes established with approval under the previous provisions as at the time this Act enters into force shall be deemed companies related to research institutes registered under the amended provisions of Article 9-3.

ADDENDA <Act No. 10252, Apr. 12, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 6 Omitted.

ADDENDA <Act No. 10272, Apr. 15, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 14 Omitted.

ADDENDA <Act No. 10331, May 31, 2010>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 13 Omitted.

ADDENDA <Act No. 10599, Apr. 14, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 9 Omitted.

ADDENDA <Act No. 10629, May 19, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force two months after the date of its promulgation. (Proviso Omitted.)

Article 2 Omitted.

ADDENDA <Act No. 10764, May 30, 2011>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 4 Omitted.

ADDENDA <Act No. 11232, Jan. 26, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Applicability to Deliberation by Industrial Location Policy Deliberation Committee on Special Zone Development Plans)

The amended provisions of Article 6-2 (3) shall begin to apply to the first special zone development plan formulated or revised after this Act enters into force.

Article 3 (Applicability to Consultation on Development of Areas with No Special Zone Development Plan Formulated)

The amended provisions of Article 6-3 shall begin to apply to the first permission, authorization, etc. granted (including modification to permission, authorization, etc.) after this Act enters into force.

Article 4 (Applicability to Legal Fiction of Permission)

The amended provisions of Article 29 shall begin to apply to the first implementation plan, or revision to an implementation plan, approved after this Act enters into force.

Article 5 (Applicability to Commencement of Special Zone Development Projects)

The amended provisions of Article 30 shall also apply to a special zone development project, the implementation plan of which was approved under previous Article 27 (1) before this Act enters into force.

Article 6 (Applicability to Re-Investment of Development Gains)

The amended provisions of Article 32-2 shall begin to apply to the first special zone development plan formulated after this Act enters into force.

Article 7 (Transitional Measure concerning Designation of Special Zones)

The Daedeok Special Development Zone under previous Article 4 (1) and the special zones designated under previous Article 4 (2) as at the time this Act enters into force shall be deemed special zones designated under the amended provisions of Article 4 (1) or (5).

Article 8 (Transitional Measure concerning Priority Support for Infrastructure)

Notwithstanding the amended provisions of the proviso of Article 33, the industrial complexes given priority support pursuant to the previous provisions as at the time this Act enters into force shall be governed by the previous provisions.

Article 9 (Transitional Measure concerning Special Provisions regarding Industrial Complexes)

Notwithstanding the amended provisions of Article 43 (1), the special zones deemed national industrial complexes under the previous provisions as at the time this Act enters into force shall be governed by the previous provisions.

Article 10 (Transitional Measure concerning Change of Name)

- (1) The Support Headquarters existing as at the time this Act enters into force shall be deemed the Promotion Foundation established under this Act.
- (2) In the context of acts done and other legal relationships made in the name of the Support Headquarters as at the time this Act enters into force, the Support Headquarters shall be deemed the Promotion Foundation.
- (3) The title of the Support Headquarters recorded in registers and other official records as at the time this Act enters into force shall be deemed the title of the Promotion Foundation.

Article 11 Omitted.

Article 12 (Relationship to Other Statutes or Regulations)

A citation of the previous Special Act on the Support of Daedeok Special Research and Development Zone, etc. or any provisions thereof in other statutes or regulations in force as at the time this Act enters into force shall be deemed a citation of this Act or the corresponding provisions of this Act in lieu of the previous provisions, if such corresponding provisions exist herein.

ADDENDA <Act No. 11690, Mar. 23, 2013>

Article 1 (Enforcement Date)

- (1) This Act shall enter into force on the date of its promulgation.
- (2) Omitted.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 11713, Mar. 23, 2013>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Articles 2 through 6 Omitted.

ADDENDA <Act No. 12215, Jan. 7, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 12248, Jan. 14, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 25 Omitted.

ADDENDA <Act No. 12678, May 28, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Article 2 (Transitional Measure concerning Disqualifications of Persons Declared Incompetent)

Notwithstanding the amended provisions of subparagraph 1 of Article 53, the previous provisions shall apply to the persons who were declared incompetent or quasi-incompetent before the amended provisions enter into force and upon whom the declaration of incompetence or quasi-incompetence remains effective under Article 2 of the Addenda to the Civil Act (Act No. 10429).

ADDENDA <Act No. 13122, Feb. 3, 2015>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Transitional Measures concerning Administrative Fines)

For the purpose of imposing administrative fines against any act committed before this Act enters into force, the previous provisions shall apply.

ADDENDUM <Act No. 13212, Mar. 11, 2015>

This Act shall enter into force six months after the date of its promulgation.

ADDENDA <Act No. 13231, Mar. 27, 2015>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Applicability to Preferential Application of Special Zone Management Plans)

The amended provisions of Article 3 (2) shall also apply to the plans formulated pursuant to any other statute before this Act enters into force.

ADDENDA <Act No. 13482, Aug. 11, 2015>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 4 Omitted.

ADDENDA <Act No. 13782, Jan. 19, 2016>

Article 1 (Enforcement Date)

This Act shall enter into force on September 1, 2016.

Articles 2 through 8 Omitted.

ADDENDA <Act No. 13797, Jan. 19, 2016>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 11 Omitted.

ADDENDA <Act No. 13805, Jan. 19, 2016>

Article 1 (Enforcement Date)

This Act shall enter into force on August 12, 2016.

Articles 2 through 22 Omitted.

ADDENDA <Act No. 14183, May 29, 2016>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 5 Omitted.

ADDENDA <Act No. 14480, Dec. 27, 2016>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 14569, Feb. 8, 2017>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation.

Articles 2 through 9 Omitted.

ADDENDA <Act No. 14839, Jul. 26, 2017>

Article 1 (Enforcement Date)

- (1) This Act shall enter into force on the date of its promulgation: Provided, That the amendments to the statutes to be amended pursuant to Article 5 of the Addenda, which were promulgated before this Act enters into force but the enforcement dates of which have yet to arrive, shall enter into force on the enforcement date of the relevant statute.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 15309, Dec. 26, 2017>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation. (Proviso Omitted.)

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Act No. 15344, Jan. 16, 2018>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

Article 4 Omitted.

ADDENDA <Act No. 15562, Apr. 17, 2018>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Applicability to Distribution of Profits)

The amended provisions of Article 9-3 shall begin to apply from the first profits, etc. that occur after this Act enters into force.

Article 3 (Special Cases concerning Legal Fiction as Cancellation of Designation of Special Zones)

For the purposes of the amended provisions of Article 5-2 (1) 1, “date public notice is given” shall be construed as “date this Act enters into force”, for a special zone already designated as at the time this Act enters into force.

ADDENDUM <Act No. 16017, Dec. 24, 2018>

This Act shall enter into force three months after the date of its promulgation.

ADDENDA <Act No. 16172, Dec. 31, 2018>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 5 Omitted.

ADDENDA <Act No. 17171, Mar. 31, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDA <Act No. 17219, Apr. 7, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

ADDENDUM <Act No. 17347, Jun. 9, 2020>

This Act shall enter into force on the date of its promulgation.

ADDENDUM <Act No. 17349, Jun. 9, 2020>

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of Article 5-2 shall enter into force on the date of its promulgation.

ADDENDUM <Act No. 17359, Jun. 9, 2020>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 17598, Dec. 8, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

ADDENDA <Act No. 17675, Dec. 22, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation: Provided, That the amended provisions of Articles 17 and 48 (1) 2 (h) shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures concerning Participation in Investment Associations)

Notwithstanding the amended provisions of Articles 17 and 48 (1) 2 (h), the previous provisions shall apply where the Promotion Foundation files an application for participation of a member of an investment association under the previous provisions before this Act enters into force.

Article 3 (Transitional Measures concerning Resident Institutes)

Any person who has obtained approval for moving into an area from the Minister of Science and ICT pursuant to the previous provisions as at the time this Act enters into force shall be deemed to have entered into a contract to move into the area with a management agency in accordance with the amended provisions of Article 37.

ADDENDA <Act No. 17799, Dec. 29, 2020>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation. (Proviso

Omitted.)

Articles 2 and 26 Omitted.

ADDENDA <Act No. 18074, Apr. 20, 2021>

Article 1 (Enforcement Date)

This Act shall enter into force one year after the date of its promulgation: Provided, That the amended provisions of Article 34 (5) shall enter into force on June 23, 2021.

Article 2 (Transitional Measures concerning Grounds for Disqualification of Executive Officers of the Foundation)

Notwithstanding the amended provisions of Article 53, the previous provisions shall apply to an executive officer who was appointed pursuant to the previous provisions before this Act enters into force.

ADDENDA <Act No. 18075, Apr. 20, 2021>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 5 Omitted.

ADDENDUM <Act No. 18650, Dec. 28, 2021>

This Act shall enter into force six months after the date of its promulgation.

ADDENDA <Act No. 18733, Jan. 11, 2022>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Article 2 (Applicability to Submission of Reports on Progress of Special Zones to National Assembly)

The amended provisions of Article 71 shall begin to apply to the reports on the implementation progress of special zones, prepared by the Minister of Science and ICT after this Act enters into force.

ADDENDA <Act No. 19117, Dec. 27, 2022>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

ADDENDUM <Act No. 19237, Mar. 21, 2023>

This Act shall enter into force six months after the date of its promulgation.

ADDENDA <Act No. 19430, Jun. 9, 2023>

Article 1 (Enforcement Date)

This Act shall enter into force one month after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 22 Omitted.

ADDENDA <Act No. 19955, Jan. 9, 2024>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 19990, Jan. 9, 2024>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 Omitted.

Article 3 Omitted.

ADDENDUM <Act No. 20062, Jan. 23, 2024>

This Act shall enter into force on the date of its promulgation: Provided, That the amended provisions of Article 37-2 shall enter into force six months after the date of their promulgation.

Annex 3.

Technology Transfer and Commercialization Promotion Act

Wholly Amended by Act No. 8108, Dec. 28, 2006

Amended by Act No. 8852, Feb. 29, 2008

Act No. 8934, Mar. 21, 2008

Act No. 9369, Jan. 30, 2009

Act No. 9582, Apr. 1, 2009

Act No. 9689, May 21, 2009

Act No. 10251, Apr. 12, 2010

Act No. 11232, Jan. 26, 2012

Act No. 11231, Jan. 26, 2012

Act No. 12284, Jan. 21, 2014

Act No. 14663, Mar. 21, 2017

Act No. 14839, Jul. 26, 2017

Act No. 15571, Apr. 17, 2018

Act No. 17524, Oct. 20, 2020

Act No. 19990, Jan. 9, 2024

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to enhance the technical competitiveness of all the industries by formulating and implementing policies appropriate for facilitating the transfer of technologies developed by public research institutes to the private sector for the commercialization of such technologies as well as the smooth trading and commercialization of technologies developed by the private sector, and ultimately to contribute to the growth of the national economy.

Article 2 (Definitions)

The terms used in this Act are defined as follows: <Amended on Jan. 23, 2013; Jul. 26, 2017>

1. The term "technology" means any of the following:
 - (a) Intellectual property, such as patents, utility models, designs, layout-designs of semiconductor integrated circuits, and software, registered or pending in accordance with relevant statutes, such as the Patent Act;
 - (b) Capital goods into which the technology under item (a) is integrated;
 - (c) Information about the technology under item (a) or (b);
 - (d) Other things specified by Presidential Decree as similar to those under items (a) through (c);
2. The term "technology transfer" means that technology is transferred from its holder (including a person who has a right to dispose of the technology) to another person through assignment, grant of a license, technical guidance, joint research, joint venture, merger and acquisition, etc.;
3. The term "commercialization" means the process by which products are developed, produced or sold using technology, or the improvement of technology related to such process;
4. The term "technology evaluation" means the expression of economic value of any technology, which may be generated through commercialization, in the form of a value, grade, point, etc.;
5. The term "public technology" means technology, the ownership of, a license for, or a right to usage of which belongs to a public research institute;
6. The term "public research institute" means any of the following:
 - (a) A national or public research institute;
 - (b) A government-funded research institute established pursuant to Article 8 (1) of the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutions;
 - (c) A specific research institute governed by Article 2 of the Specific Research Institutes Support Act;
 - (d) A school under Article 2 of the Higher Education Act;
 - (e) Any other legal entity or organization related to research and development, which is established pursuant to the Civil Act or any other statute and specified by Presidential Decree to facilitate the transfer and commercialization of technology (hereinafter referred to as "technology transfer and commercialization");
7. The term "relevant central administrative agencies" means the Ministry of Economy and Finance, the Ministry of Education, the Ministry of Science and

ICT, the Ministry of Trade, Industry and Energy, and other agencies specified by Presidential Decree;

8. The term "technology trust management business" means business engaging in, under a trust agreement with a technology holder on his or her technology and right to use thereof (hereinafter referred to as "technology, etc."), the management specified by Presidential Decree, such as the settlement or transfer of technology, etc., the collection and distribution of royalties, further development of technology, and technology and asset-backed securitization;
9. The term "technology and asset-backed securitization" means asset-backed securitization under subparagraph 1 of Article 2 of the Asset-Backed Securitization Act by using technology, etc., claims and shares arising in relation to technology, etc., and other property rights as securitization assets;
10. The term "public research institute high-tech holding company" (hereinafter referred to as "technology holding company") means a company that is mainly engaged in the control, management and support of another company's business through the ownership of the other company's stocks (including shares; hereinafter the same shall apply) to commercialize technologies held by a public research institute and that is registered pursuant to Article 21-3: Provided, That this shall not apply to any company established to commercialize technologies held by an industry-academic cooperation foundation under Article 25 of the Promotion of Industrial Education and Industry-Academic Cooperation Act.

[This Article Wholly Amended on Apr. 12, 2010]

Article 3 (Responsibilities of the Government)

- (1) The Government shall establish and implement a policy for facilitating technology transfer and commercialization to ensure the achievement of the objectives of this Act.
- (2) Each local government shall establish and implement a policy for facilitating technology transfer and commercialization in a region under its jurisdiction, considering the characteristics of the jurisdictional area, according to a policy under paragraph (1).
- (3) Each public research institute shall endeavor to facilitate the transfer of public technology to the private sector.

[This Article Wholly Amended on Apr. 12, 2010]

Article 4 (Relationship to Other Statutes)

- (1) Except as otherwise provided in any other statute, technology transfer and commercialization shall be governed by this Act.

- (2) The Financial Investment Services and Capital Markets Act shall not apply to technology trust management business under this Act: Provided, That Articles 102 and 104, subparagraphs 2 and 4 through 7 of Article 108, subparagraphs 1 through 6 and 8 through 10 of Article 109, and Articles 113 through 117 of the Financial Investment Services and Capital Markets Act shall apply mutatis mutandis to business activities of such technology trust management business. <Amended on Jan. 26, 2012>

[This Article Wholly Amended on Apr. 12, 2010]

CHAPTER II

ESTABLISHMENT OF PLANS FOR FACILITATION OF TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 5 (Establishment and Implementation of Plans for Facilitation of Technology Transfer and Commercialization)

- (1) The Government shall establish and implement a plan for the facilitation of technology transfer and commercialization (hereinafter referred to as "facilitation plan") in order to achieve the objectives of a policy on technology transfer and commercialization, including the following matters: <Amended on Apr. 12, 2010>
1. Objectives and strategies of a policy on technology transfer and commercialization;
 2. Matters concerning the budget for the implementation of facilitation plans;
 3. Matters concerning the promotion of projects for facilitating technology transfer and commercialization and the expansion of infrastructure for such purposes;
 4. A scheme for vitalizing technology evaluation;
 5. Matters concerning financial support for facilitating commercialization;
 6. Matters concerning the facilitation of technology and asset-backed securitization;
 7. Other matters necessary for facilitating technology transfer and commercialization.
- (2) In order to establish a facilitation plan, the head of each relevant central administrative agency, excluding the Minister of Trade, Industry and Energy, shall draw up a plan for facilitating technology transfer and commercialization regarding research and development projects carried out by each such agency and notify the Minister of Trade, Industry and Energy of the plan. <Amended on Apr. 12, 2010; Mar. 23, 2013>
- (3) When drawing up a plan under paragraph (2), the head of each relevant central administrative agency may include a condition that some of the funds for national

research and development projects in the field under its control shall be provided as a subsidy for carrying out projects for facilitating technology transfer and commercialization. <Amended on Apr. 12, 2010>

- (4) The Minister of Trade, Industry and Energy shall integrate plans notified pursuant to paragraph (2) to establish a facilitation plan. In such cases, the facilitation plan shall contain an annual promotion plan and a medium-term promotion plan on a three-year basis. <Amended on Apr. 12, 2010; Mar. 23, 2013>
- (5) Deleted. <Apr. 1, 2009>
- (6) Matters necessary for the establishment and implementation of facilitation plans shall be prescribed by Presidential Decree. <Amended on Apr. 12, 2010>

Article 6 Deleted. <Apr. 1, 2009>

CHAPTER III

EXPANSION OF INFRASTRUCTURE FOR TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 7 (Facilitation of Registration and Supply of Information about Technology Transfer and Commercialization)

- (1) The Government shall formulate a policy for the systematic supply of information about technology transfer and commercialization, such as information about technology, technical human resources, facilities and technology evaluation, in order to facilitate technology transfer and commercialization.
- (2) If any of the following persons intends to transfer technology, he or she shall register the details of the technology and other relevant facts with the Korea Institute for Advancement of Technology under Article 38 of the Industrial Technology Innovation Promotion Act (hereinafter referred to as "KIAT") within a period of not more than six months prescribed by Presidential Decree, unless there is a compelling reason not to do so specified by Presidential Decree, such as where the technology is classified as national confidential information:
 1. A public research institute;
 2. An institution or organization, other than a public research institute, that develops and holds technology with support from the State, a local government, or a public institution under Article 4 of the Act on the Management of Public Institutions (hereinafter referred to as "public institution");
 3. An industrial technology research cooperative under the Industrial Technology Research Cooperatives Support Act.
- (3) The Government may assign the following institutions to take charge of supplying

information about technology transfer and commercialization and may provide them with support therefor:

1. The Technology Advancement Institute;
 2. A technology trading agency under Article 10;
 3. An exclusively responsible organization under Article 11;
 4. A company specializing in commercialization under Article 12;
 5. A technology evaluation agency under Article 35;
 6. Other relevant specialized institutions prescribed by Presidential Decree.
- (4) Matters necessary for the further specific methods of registration of information about technology transfer and commercialization under paragraph (2) and for the support under paragraph (3) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 8 (Fact-Finding Surveys)

- (1) The Government may conduct a fact-finding survey on the actual state, etc. of technology transfer and commercialization in order to secure the basic data necessary for facilitating technology transfer and commercialization.
- (2) The Minister of Trade, Industry and Energy may request the head of any relevant central administrative agency or public research institute to submit data necessary for conducting fact-finding surveys under paragraph (1). In such cases, the head of the agency or institute who has been requested to submit such data shall cooperate as requested, unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets. <Amended on Mar. 23, 2013>
- (3) The specific scope of documentation, etc. in conducting fact-finding surveys under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 9 Deleted. <Jan. 30, 2009>

Article 10 (Designation of Technology Trading Agency, Revocation of Designation, and Support Therefor)

- (1) The head of a relevant central administrative agency may designate an entity that meets standards prescribed by Presidential Decree regarding human resources exclusively responsible for technology trading and other relevant matters, as a technology trading agency, in order to facilitate technology transfer and commercialization.
- (2) A technology trading agency designated pursuant to paragraph (1) (hereinafter referred to as "technology trading agency") shall undertake the following business

activities:

1. Search for, and demand survey, analysis, and evaluation of, technology eligible for technology transfer and commercialization;
 2. Collection, management, and distribution of information about technology transfer and commercialization, and the establishment of an information network for such purposes;
 3. Brokerage and mediation services for technology transfer;
 4. Other business activities specified by Presidential Decree as those for facilitating the circulation of information about technology transfer and commercialization.
- (3) The head of a relevant central administrative agency may revoke the designation of a technology trading agency if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 2, 4 or 5, the designation shall be revoked:
1. Where the trading agency has no record of technology transactions for two years since the designation;
 2. Where the agency has obtained the designation by fraud or other improper means;
 3. Where the trading agency has failed to perform its duty of notification under paragraph (5) on three or more occasions;
 4. Where the agency voluntarily desires to have its designation revoked;
 5. Where the agency is no longer able to conduct its business activities under paragraph (2) due to discontinuance of business or any other reason;
 6. Where the agency no longer meets standards for designation under paragraph (1).
- (4) The Government may, within its budgetary limits, reimburse expenses incurred by any technology trading agency in conducting the business activities under subparagraphs of paragraph (2).
- (5) Each technology trading agency shall notify KIAT of the information about technology transactions in the course of conducting business activities under paragraph (2).
- (6) Matters necessary for the procedure for the revocation of designation under paragraph (3), the assistance by the Government under paragraph (4), the scope of information about technology transactions to be notified in accordance with paragraph (5), etc. shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 11 (Organizations Exclusively Responsible for Technology Transfer and Commercialization in Public Research Institutes)

- (1) The head of each public research institute specified by Presidential Decree shall set up an organization exclusively responsible for technical transfer and commercialization (hereinafter referred to as "exclusively responsible organization") within such public research institute. In such cases, an exclusively responsible organization set up in a national or public school under Article 3 of the Higher Education Act (hereinafter referred to as "national or public school") shall be a legal entity.
- (2) Except as otherwise provided in this Act, the provisions of the Civil Act regarding incorporated foundations shall apply mutatis mutandis to exclusively responsible organizations set up in national or public schools.
- (3) The Government may provide any public research institute that has set up an exclusively responsible organization with support necessary for its activities.
- (4) Matters necessary for the establishment and operation of exclusively responsible organizations under paragraph (1), the support under paragraph (3), etc. shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 12 (Companies Specializing in Commercialization)

- (1) The Government shall formulate a policy on fostering and supporting companies specializing in providing commercialization assistance, which are designated pursuant to Article 12-2 (hereinafter referred to as "companies specializing in commercialization") in order to facilitate commercialization in the private sector.
- (2) The Government may reimburse companies specializing in commercialization for all or some of expenses incurred in providing commercialization assistance.
- (3) The Government may give priority to companies specializing in commercialization when they participate in projects to facilitate technology transfer and commercialization under Article 15 (1).

[This Article Wholly Amended on Apr. 12, 2010]

Article 12-2 (Designation of Companies Specializing in Commercialization and Revocation of Designation)

- (1) The head of each relevant central administrative agency may designate a company that is engaged in business activities falling under one or more of the following and meets standards prescribed by Presidential Decree, including human resources exclusively responsible for commercialization assistance, related facilities, etc., as a company specializing in commercialization:
 1. Collection, analysis and provision of commercialization-related information;
 2. Support for the exploration, development, convergence, etc. of technologies to advance commercialization;

3. Counseling and consulting for commercialization;
 4. Invitation and investment of funds necessary for commercialization.
- (2) The head of each relevant central administrative agency may revoke the designation of a company specializing in commercialization if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 2, 4 or 5, the designation shall be revoked:
1. Where the company has no record of commercialization assistance prescribed by Presidential Decree for two years since the designation;
 2. Where the agency has obtained the designation by fraud or other improper means;
 3. Where the company has failed to perform its duty of notification under Article 12-3 (1) on three or more occasions;
 4. Where the agency voluntarily desires to have its designation revoked;
 5. Where the company is no longer able to conduct its business activities under paragraph (1) due to discontinuance of business or any other reason;
 6. Where the agency no longer meets standards for designation under paragraph (1).

[This Article Added on Apr. 12, 2010]

Article 12-3 (Notification of Performance of Commercialization Assistance)

- (1) Each company specializing in commercialization shall notify the Minister of Trade, Industry and Energy of its performance of commercialization assistance, etc., unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets.
 <Amended on Mar. 23, 2013>
- (2) Matters necessary for the scope of notification, procedures therefor, etc. under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Added on Apr. 12, 2010]

Article 13 (Nurturing Professional Human Resources for Technology Transfer and Commercialization, and Support Therefor)

- (1) The Government shall nurture professional human resources (hereinafter referred to as "professionals") for technology evaluation, technology management, technology contracting, etc. (hereafter in this Article referred to as "technology evaluation, etc.") in order to meet demands for human resources required for technology transfer and commercialization and technology evaluation.
- (2) In order to nurture professionals, the Government may reimburse all or some of expenses incurred by any appropriate institution in securing facilities for education, developing teaching materials, and conducting educational programs.

- (3) The Government shall formulate a policy necessary for nurturing professionals, such as the introduction of a national qualification system, as prescribed by the relevant Act, and measures to encourage schools under Article 2 of the Higher Education Act to include subjects relating to technology evaluation, etc. in their curricula pursuant to Article 21 of the said Act.
- (4) Matters necessary for support under paragraph (2) and a policy under paragraph (3) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 14 (Registration and Cultivation of, and Support for, Technology Traders)

- (1) Any person who has expertise in technology transfer and commercialization may be registered as a technology trader with the Minister of Trade, Industry and Energy. <Amended on Mar. 23, 2013>
- (2) Any person who intends to be registered as a technology trader pursuant to paragraph (1) shall receive education prescribed by Presidential Decree after meeting criteria prescribed by Presidential Decree for careers in, qualifications for, and other requirements for, technology transactions.
- (3) Any person who is registered pursuant to paragraph (1) shall provide specialized counseling, consulting and guidance services for technology transfer and commercialization and other technology transaction assistance services, including brokerage and mediation services for technology transfer.
- (4) The Minister of Trade, Industry and Energy may revoke the registration of a technology trader if he or she falls under any of the following: Provided, That when he or she falls under subparagraph 1, the registration shall be revoked: <Amended on Mar. 23, 2013>
 1. Where he or she has been registered by fraud or other improper means;
 2. Where he or she has provided services under paragraph (3) by fraud or other improper means;
 3. Where he or she has allowed someone else to use his or her registered name.
- (5) The Minister of Trade, Industry and Energy may provide technology traders with support necessary for them, such as information and education necessary to offer technology transaction services. <Amended on Mar. 23, 2013>

[This Article Wholly Amended on Apr. 12, 2010]

CHAPTER IV FACILITATION OF TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 15 (Advancement of Projects to Facilitate Technology Transfer and

Commercialization)

- (1) The Government shall advance projects to facilitate technology transfer and commercialization, such as support for technology transfer and commercialization and support for the development of technology in connection with commercialization.
- (2) The head of each relevant central administrative agency shall include projects to facilitate technology transfer and commercialization in a plan for execution of funds for national research and development projects in areas under his or her control.
- (3) If deemed necessary to efficiently advance projects to facilitate technology transfer and commercialization, the head of each relevant central administrative agency may assign an institution specified by Presidential Decree to conduct the planning, management, and evaluation of those projects on behalf of the agency. In such cases, the head of the relevant central administrative agency may contribute funds for, or reimburse, all or some of expenses incurred in carrying out such business affairs.
- (4) Matters necessary for the management, etc. of projects, if any, to facilitate technology transfer and commercialization shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 15-2 (Institutions Conducting Projects to Facilitate Technology Transfer and Commercialization)

- (1) The Minister of Trade, Industry and Energy may have KIAT conduct the following business activities to efficiently advance projects to facilitate technology transfer and commercialization: <Amended on Jan. 26, 2012; Mar. 23, 2013>
 1. Support for the brokerage and mediation of technology transfer, such as the opening and operation of regular technology transaction markets;
 2. Collection, analysis, evaluation and provision of information concerning technology transfer and evaluation;
 3. Investments in technology;
 4. Building of a system to connect to technology trading agencies, exclusively responsible organizations, technology evaluation agencies, etc. under Article 35;
 5. Support for and management of technology traders under Article 14;
 6. Development and dissemination of technology evaluation and technology evaluation techniques;
 7. Cultivating professionals for transfer, evaluation and commercialization of technology;

8. Statistical surveys and studies concerning technology transfer and commercialization;
 9. Technology trust and management business;
 10. Purchase of technology and further development of the technology purchased or trusted;
 11. Advancement of technology and asset-backed securitization business including the purchase of securitization bonds;
 12. Business of accepting contributed technology, etc.;
 13. Other business activities necessary to facilitate technology transfer and commercialization, which are prescribed by Presidential Decree.
- (2) Any person who falls under any of the following may contribute funds for, or reimburse, some of expenses necessary for KIAT to conduct projects to facilitate technology transfer and commercialization:
1. The State and local governments;
 2. Public institutions (excluding public institutions in which the Government has some contribution quotas);
 3. Non-profit legal entities established under the Civil Act;
 4. Trade association related to technology transfer and commercialization;
 5. Legal entities or organizations related to technology transfer and commercialization, which are prescribed by Presidential Decree.
- (3) Matters necessary for contributing funds or reimbursing expenses under paragraph (2) shall be prescribed by Presidential Decree.
- [This Article Added on Apr. 12, 2010]

Article 16 (Facilitation of International Technology Transfer and Commercialization)

- (1) The Government shall formulate a policy to facilitate international cooperation in mutual technology transfer and commercialization between the Government, enterprises, colleges and universities, research institutes, organizations, etc. and international organizations or foreign governments, enterprises, colleges and universities, research institutes, organizations, etc.
- (2) The head of each relevant central administrative agency may advance the following activities for facilitating international cooperation in technology transfer and commercialization:
 1. Investigation and research to promote international cooperation in technology transfer and commercialization;
 2. Exchanges of professionals in, and information about, technology transfer and commercialization;
 3. Establishment of cooperative systems with foreign institutions, etc. supporting technology transfer and commercialization;

4. Facilitation of export of domestic technology or introduction of foreign technology;
5. Assistance in establishment of joint ventures between domestic and foreign enterprises;
6. Other activities specified by Presidential Decree for facilitating international cooperation in technology transfer and commercialization.

[This Article Wholly Amended on Apr. 12, 2010]

Article 17 (Support for Local Governments' Projects for Facilitating Technology Transfer and Commercialization)

- (1) The Government may advance projects for facilitating technology transfer and commercialization jointly with a local government. In such cases, the Government may reimburse expenses incurred by the local government.
- (2) Projects advanced by a local government for facilitating technology transfer and commercialization pursuant to paragraph (1) shall include the following:
 1. Projects for facilitating technology transfer and commercialization by enterprises;
 2. Technology protection and promotion projects to facilitate the commercialization of technology;
 3. Projects for the development of exclusive complexes for commercialization of technology.
- (3) If a local government organizes a council with public research institutes, technology trading agencies and companies specializing in commercialization in the region and other institutions supporting technology transfer and commercialization in the region in order to facilitate technology transfer and commercialization, the Government may provide support to such council.

[This Article Wholly Amended on Apr. 12, 2010]

Article 18 (Implementation of Technology Protection and Promotion Projects)

- (1) In order to facilitate commercialization, the Government may implement technology protection and promotion projects through which it can provide support in funding, human resources, information, facilities, technical guidance, etc. to enterprises that hold technology potential for commercialization.
- (2) Matters necessary for entities eligible for technology protection and promotion projects under paragraph (1), the methods of implementing such projects, etc. shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 19 (Facilitation of Transfer and Commercialization of Public Technology)

- (1) The Government shall establish procedures and methods to ensure that transactions for transferring public technology to the private sector will be conducted in a fair and orderly manner.
- (2) The head of each public research institute shall appropriately distribute a certain portion of royalties accruing from the transfer of technology developed by researchers in an institute to persons specified by Presidential Decree as those who have contributed to the transfer of technology among researchers, executive officers, and employees of the institute.
- (3) If any of the following persons advances the commercialization of public technology, the Government may provide him or her with necessary support in human resources, facilities, expenses, etc.: <Amended on Jan. 26, 2012; Jan. 9, 2024>
 1. A technology holding company and an investment company under Article 21-4;
 2. A research institute company under subparagraph 6 of Article 2 of the Special Act on Promotion of Special Research and Development Zones;
 3. A company specializing in the start-up of new technology-based businesses under Article 2 (8) of the Special Act on the Promotion of Venture Businesses;
 4. An industry-academic cooperation technology holding company and a subsidiary company thereof under subparagraphs 6 and 7 of Article 2 of the Promotion of Industrial Education and Industry-Academic Cooperation Act;
 5. Other persons prescribed by Presidential Decree.
- (4) Guidelines for and methods of appropriate distribution of royalties under paragraph (2) and other necessary matters shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 20 (Transfer and Commercialization of Private Technology)

- (1) In order to facilitate the transfer of any technology other than public technology (hereafter in this Article referred to as "private technology") between private enterprises, the Government shall formulate a plan for vitalizing a technology market in which technology transactions are conducted between technology suppliers and technology users through sales and purchases of private technology.
- (2) The Government shall formulate a plan for financial or other necessary support to facilitate the transfer and commercialization of private technology.

[This Article Wholly Amended on Apr. 12, 2010]

Article 21 (Regulations on Facilitation of Transfer and Commercialization of Public Technology)

- (1) The head of each public research institute shall establish and enforce regulations

on the facilitation of transfer and commercialization of public technology.

- (2) Provisions to be included in regulations under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 21-2 (Acceptance of Contributed Technology)

- (1) Any of the following persons may contribute technology, etc. to the State:
 1. A public research institute;
 2. An industry-academic cooperation foundation under Article 25 of the Promotion of Industrial Education and Industry-Academic Cooperation Act;
 3. A private enterprise.
- (2) The Minister of Trade, Industry and Energy shall manage and dispose of (excluding making investment in kind) any technology, etc. contributed pursuant to paragraph (1), notwithstanding Article 8 of the State Property Act. <Amended on Mar. 23, 2013>
- (3) If royalties or other earnings accrued through the transfer and commercialization of technology, etc. contributed pursuant to paragraph (1), compensation may be given to a person who has made such contribution or developed such technology, etc.
- (4) Matters necessary for the management, disposal, etc. of technology, etc. under paragraph (2) and for standards, methods, etc. for compensation under paragraph (3) shall be prescribed by Presidential Decree.

[This Article Added on Apr. 12, 2010]

Article 21-3 (Establishment of Technology Holding Companies)

- (1) A public research institute may establish a technology holding company solely or jointly with another public research institute.
- (2) Every technology holding company shall meet the following requirements:
<Amended on Sep. 24, 2021>
 1. It shall be a stock company under the Commercial Act;
 2. None of its executive officers shall fall under any ground for disqualification under the subparagraphs of Article 33 of the State Public Officials Act;
 3. It shall have human resources and facilities that meet standards prescribed by Presidential Decree;
 4. It shall have any green technology under subparagraph 16 of Article 2 of the Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis or any advanced technology under Article 5 (1) of the Industrial Development Act.
- (3) In establishing a technology holding company under paragraph (1), the public research institute shall register it with the Minister of Trade, Industry and Energy,

as prescribed by Presidential Decree. <Amended on Mar. 23, 2013>

- (4) A public research institute shall hold stocks of a technology holding company that it has established in excess of the half of the total number of the company's issued stocks. In such cases, the public research institute may use the Government's contributions to hold those stocks.
- (5) A public research institute may provide technology, etc. in its possession to a technology holding company as investment in kind or transfer technology, etc. in its possession to a technology holding company.
- (6) Article 23 shall apply mutatis mutandis where a public research institute provides technology, etc. in its possession as investment in kind.

[This Article Added on Apr. 12, 2010]

Article 21-4 (Establishment of Investment Companies)

- (1) A technology holding company may directly establish an investment company by utilizing its own technology or may acquire a third company's stocks or shares to include them in an investment company.
- (2) A technology holding company shall hold at least 20 percent of an investment company's stocks for a period prescribed by Presidential Decree or longer: Provided, That the foregoing shall not apply where there exists a cause prescribed by Presidential Decree such as the transfer of shares.
- (3) Article 23 shall apply mutatis mutandis where a technology holding company provides technology, etc. in its possession to an investment company as investment in kind. If a technology holding company reinvests technology, etc. with which it was provided as investment in kind pursuant to Article 21-3 (5) in an investment company within a period prescribed by Presidential Decree, it may report such fact to a court with the appraised value of the technology, etc. at the time it was provided with the technology, etc. as investment in kind.

[This Article Added on Apr. 12, 2010]

Article 21-5 (Work of Technology Holding Companies)

A technology holding company shall conduct the following work:

1. Transfer and commercialization of technology held by a public research institute or by a technology holding company or investment company established by the institute;
2. Establishment of an investment company or the acquisition of an investment company's stocks for the purpose of the technology transfer and commercialization under subparagraph 1;
3. Technology incubation, business incubation, and other technology and management consulting services for an investment company;

4. Investment or attraction of investment in an investment company directly or through a fund (including any funds under related statutes; hereinafter the same shall apply);
5. Organization or management of a fund to establish or operate an investment company;
6. Other business incidental to those listed in subparagraphs 1 through 5, as prescribed by Presidential Decree.

[This Article Added on Apr. 12, 2010]

Article 21-6 (Revocation of Registration of Technology Holding Companies)

The Minister of Trade, Industry and Energy may revoke the registration of a technology holding company if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 1, the registration shall be revoked: <Amended on Mar. 23, 2013>

1. Where it has had itself registered by fraud or other improper means;
2. Where it no longer meets either requirements for registration under Article 21-3 (2) or paragraph (4) of the same Article;
3. Where it is engaged in business other than those listed in the subparagraphs of Article 21-5.

[This Article Added on Apr. 12, 2010]

Article 21-7 (Operation of Technology Holding Companies)

- (1) A researcher or other staff member of a public research institute may be granted a leave of absence to serve as the representative or an executive officer of a technology holding company.
- (2) A public research institute shall appropriate dividends, earnings, surplus funds, etc. accruing from investments in a technology holding company for the intended business of its own, research and development, re-investment in the relevant technology holding company, the advancement of technology transfer and commercialization, etc.
- (3) The details of paragraphs (1) and (2) and other matters necessary for the operation of technology holding companies shall be prescribed by Presidential Decree.

[This Article Added on Apr. 12, 2010]

Article 22 (Assistance in Creation of Rights to Outcomes of Research and Development)

- (1) The Government shall formulate a policy for securing, maintaining and managing intellectual property rights, such as patents, so that rights to outcomes of research and development can be created quickly and transferred to technology users,

and may provide support necessary for securing, maintaining and managing intellectual property rights.

- (2) The Government may reimburse some of expenses incurred by a person who has registered the details of technology in his or her possession and other relevant facts with KIAT in accordance with Article 7 (2) in securing and maintaining the intellectual property rights for the technology.

[This Article Wholly Amended on Apr. 12, 2010]

Article 23 (Special Cases concerning Investment of Technology in Kind)

- (1) Where a person who seeks to provide technology in his or her possession to an enterprise as investment in kind has had it evaluated by KIAT or a technology evaluation agency under Article 35 (hereinafter referred to as the "KIAT, etc."), he or she shall be deemed to have had it appraised by a certified appraiser under Article 299-2 or 422 of the Commercial Act.
- (2) In the case of paragraph (1), a person who is in charge of evaluating technology in the possession of KIAT, etc. shall be deemed an appraiser in the application of Articles 625, 630, and 635 of the Commercial Act.
- (3) Where a stock-listed corporation under Article 9 (15) 3 of the Financial Investment Services and Capital Markets Act has had technology in its possession evaluated by KIAT, etc. to conduct merger valuation, etc. following the merger, etc. under Article 165-4 of the same Act, it shall be deemed to have had such technology evaluated based on guidelines under the said Article.

[This Article Wholly Amended on Apr. 12, 2010]

Article 24 (Vesting of Outcomes of Public Research and Development)

- (1) The State, a local government or a public institution shall endeavor to secure intellectual property rights, such as patents, for outcomes acquired by reimbursing expenses incurred in conducting research and development.
- (2) Where the State, a local government or a public institution seeks to secure an intellectual property right pursuant to paragraph (1), it shall ensure rights and interests of an institution or enterprise that participates in research and development (referring to an exclusively responsible organization under the latter part of Article 11 (1) if a participant is a national or public school; hereafter in this Article referred to as "participating institution, etc."), as well as rights and interests of the relevant researchers.
- (3) The State, a local government or a public institution may vest a participating institution, etc. with rights in outcomes produced from a research and development project advanced or supported by it, with conditions on use attached thereto, as prescribed by Presidential Decree.

- (4) A public research institute shall endeavor to make public technology, the rights to which have been vested pursuant to paragraph (3), available to enterprises for use, except where the public research institute itself uses the public technology, the use of such technology is limited pursuant to any relevant Act, or any other exceptional circumstance exists. In such cases, the public research institute may set necessary conditions in making the public technology available for use; and may collect royalties from users of the public technology according to the methods agreed upon by the parties concerned, such as suspending collection of royalties until any profit is generated from the commercialization of such public technology, or allowing to pay the royalties in installments or by a certain amount in proportion to profits. <Amended on Mar. 21, 2017>
- (5) If a public research institute intends to allow the use of public technology pursuant to paragraph (4), it shall assure the enterprises that seek to use the public technology of equal opportunities: Provided, That a preferential right may be given to the enterprises that invested in the development of the public technology for a period prescribed by Presidential Decree.
- (6) The exclusively responsible organization of a national or public school may use the royalties accruing from the use of public technology, the rights to which have been vested in an exclusively responsible organization pursuant to paragraph (3), after consultation with the head of the national or public school, for the following purposes:
 1. Rewards for researchers;
 2. Research and development;
 3. Technology transfer and commercialization;
 4. Application for and registration of intellectual property rights and other business affairs related thereto;
 5. Operation of an exclusively responsible organization;
 6. Other uses specified by Presidential Decree.
- (7) Matters necessary for the management of public technology, the rights to which have been vested in participating institutions, etc. pursuant to paragraph (3), procedures for and conditions on use of public technology and collection of royalties under paragraph (4), the preferential right under paragraph (5), and the use of royalties under paragraph (6) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 25 (Payment of Incentives to Persons Who Saved Budget)

- (1) If a person has saved a portion of the budget allocated to a project by applying technology eligible for commercialization, the Government may pay a certain amount of the portion of the budget saved as an incentive to a person who has

saved the budget in order to facilitate commercialization.

- (2) Further details of guidelines, methods, etc. for payment of incentives under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

CHAPTER V

FINANCIAL SUPPORT FOR TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 26 (Financial Support for Commercialization)

The Government shall lay the foundation for financial support, such as investments and loans, to help small and medium enterprises under Article 2 (1) of the Framework Act on Small and Medium Enterprises (hereinafter referred to as "small and medium enterprises") and middle-standing enterprises under subparagraph 1 of Article 2 of the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises achieve commercialization as early as possible. <Amended on Oct. 20, 2020>

[This Article Wholly Amended on Apr. 12, 2010]

Article 27 (Implementing Programs for Facilitating Technology and Asset-Backed Securitization)

- (1) The head of each relevant central administrative agency may implement a program for facilitating technology and asset-backed securitization (hereafter in this Article referred to as "program for facilitation of technology and asset-backed securitization") with the following funds:
1. The Government's budget;
 2. Funds specified by Presidential Decree among funds for promoting science and technology, fostering small and medium enterprises, etc.
- (2) The head of each relevant central administrative agency may use funds under the subparagraphs of paragraph (1) for the following purposes:
1. Compensation for all or some of losses incurred in the course of technology and asset-backed securitization;
 2. Reimbursement of expenses incurred during the implementation of a program for facilitation of technology and asset-backed securitization, such as technology evaluation expenses;
 3. Other uses specified by Presidential Decree for implementing a program for facilitation of technology and asset-backed securitization.
- (3) Matters necessary for implementing programs for facilitation of technology and

asset-backed securitization, other than those provided in paragraph (1) and (2), shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 28 (Implementation of Programs to Facilitate Technology-Secured Loans)

- (1) The head of each relevant central administrative agency may implement a program to facilitate loans secured by technology (hereinafter referred to as "program to facilitate technology-secured loans"), within budgetary limits, to facilitate commercialization. In such cases, the head of the relevant central administrative agency may compensate for all or some of losses incurred due to loans secured by technology.
- (2) Matters necessary for implementing programs to facilitate technology-secured loans, other than those provided in paragraph (1), shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 29 (Provision of Subsidies for Advancement of Technology Transfer and Commercialization)

- (1) The Government may provide subsidies to any of the following persons to cover working expenses incurred during the advancement of technology transfer and commercialization:
 1. A public research institute, KIAT, a technology trading agency, a company specializing in commercialization, and a technology evaluation agency under Article 35;
 2. An enterprise participating in technology transfer and commercialization promoted by an entity under subparagraph 1.
- (2) Matters necessary for the use, management, etc. of subsidies under paragraph (1) shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 30 (Lease of State Property)

- (1) If necessary to advance technology transfer and commercialization, the Government may lend, or grant concessions for, State property to an institution participating in technology transfer and commercialization, or allow such institution to use or derive profits from the property, with or without consideration, notwithstanding the provisions of the State Property Act and the Commodity Management Act.
- (2) Matters necessary for conditions on, and procedures for, the lending, grant of concessions, use, and derivation of profits under paragraph (1) shall be prescribed

by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 31 (Granting Concessions for Intellectual Property Rights, etc. without Consideration)

- (1) Notwithstanding the provisions of the State Property Act, if particularly necessary for industrial development, the Government may exempt a licensee for an intellectual property right vested in the State as the results of research and development from all or some of royalties, or grant a gratuitous concession for such intellectual property right to researchers who have performed research and development for the relevant task of research and development or investors in the research and development project, as prescribed by Presidential Decree.
- (2) Notwithstanding the provisions of the Commodity Management Act, if particularly necessary for industrial development, the Government may grant a gratuitous concession for instruments and facilities for research, product prototypes, etc., which have been used in the research and development project and the rights to which have been vested in the State, to researchers involved and enterprises participating in the task of research and development, as prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

CHAPTER VI ESTABLISHMENT OF TECHNOLOGY EVALUATION SYSTEM

Article 32 (Revitalization of Technology Evaluation)

The Government shall formulate a policy necessary for fostering institutions and human resources capable of conducting reliable technology evaluation, in order to revitalize technology evaluation.

[This Article Wholly Amended on Apr. 12, 2010]

Article 33 (Evaluation of Economic Effects of Research and Development Projects)

In order to facilitate the transfer and commercialization of outcomes of a research and development project, the Government may conduct evaluation of economic effects to evaluate economic impacts that the research and development project is likely to generate.

Article 34 (Development and Dissemination of Technology Evaluation Techniques)

- (1) In order to develop an objective and specialized technology evaluation market, the

Government shall assign KIAT, etc. to develop technology evaluation techniques. In such cases, the Government may provide support necessary for the development of technology evaluation techniques.

- (2) The Government shall disseminate technology evaluation techniques developed in accordance with paragraph (1) to public research institutes, financial companies and enterprises, etc. to facilitate the utilization of such techniques.

[This Article Wholly Amended on Apr. 12, 2010]

Article 35 (Designation of Technology Evaluation Agencies)

- (1) The head of each relevant central administrative agency may designate an agency that meets standards prescribed by Presidential Decree regarding human resources exclusively dedicated to technology evaluation, organizations to manage those human resources, etc., as a technology evaluation agency, in order to facilitate technology transfer and commercialization.
- (2) Each technology evaluation agency designated pursuant to paragraph (1) (hereinafter referred to as "technology evaluation agency") shall undertake the following business activities:
 1. Technology evaluation;
 2. Survey and analysis of demand for technology evaluation;
 3. Collection, analysis, and distribution of information about technology evaluation and the establishment of an information network for such purposes;
 4. Business activities for joint utilization and dissemination of information about technology evaluation.
- (3) The head of each relevant central administrative agency may revoke the designation of a technology evaluation agency if it falls under any of the following: Provided, That when it falls under subparagraph 2, 4, or 5, the designation shall be revoked:
 1. Where the outcomes of technology evaluation conducted by the agency during one year after the designation have not met the number of cases prescribed by Presidential Decree;
 2. Where the agency has obtained the designation by fraud or other improper means;
 3. Where the agency has failed to perform its duty of notification under paragraph (4) on three or more occasions;
 4. Where the agency voluntarily desires to have its designation revoked;
 5. Where the agency is no longer able to conduct its business activities under paragraph (2) due to discontinuance of business or any other reason;
 6. Where the agency no longer meets standards for designation under paragraph (1).

- (4) Each technology evaluation agency shall notify the Minister of Trade, Industry and Energy of the information about its technology evaluation under paragraph (2) 1, 3, and 4, unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets. <Amended on Mar. 23, 2013>
- (5) The Minister of Trade, Industry and Energy shall manage the information about technology evaluation notified under paragraph (4) properly so that such information can be shared among technology evaluation agencies and utilized to facilitate technology transfer and commercialization. <Amended on Mar. 23, 2013>
- (6) Matters necessary for the procedures for designation under paragraph (1), the procedures for the revocation of designation under paragraph (3), the scope of the notification under paragraph (4), the scheme for the management of information about technology evaluation under paragraph (5), etc. shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

CHAPTER VI-2 TECHNOLOGY TRUST MANAGEMENT BUSINESS

Article 35-2 (Permission for Technology Trust Management Business)

- (1) Any person who intends to operate technology trust management business shall obtain permission from the Minister of Trade, Industry and Energy, as prescribed by Presidential Decree: Provided, That the foregoing shall not apply where he or she has obtained authorization pursuant to Article 12 of the Financial Investment Services and Capital Markets Act: <Amended on Jan. 26, 2012; Mar. 23, 2013>
 1. Deleted; <Jan. 26, 2012>
 2. Deleted; <Jan. 26, 2012>
 3. Deleted. <Jan. 26, 2012>
- (2) The Minister of Trade, Industry and Energy shall grant permission for technology trust management business under paragraph (1) to an applicant for such permission, unless the applicant falls under any of the following: <Added on Jan. 26, 2012; Mar. 23, 2013; Jan. 21, 2014; Apr. 17, 2018>
 1. Where the applicant is a profit-making legal entity, institution, or organization;
 2. Where the applicant fails to hold human resources, organizations, technical capability, etc. prescribed by Ministerial Decree of Trade, Industry and Energy;
 3. Where any executive officer or the representative of the relevant legal entity, institution or organization falls under any of the following:
 - (a) A person under adult guardianship;

- (b) A person declared bankrupt but not yet reinstated;
 - (c) A person in whose case one year has not passed since his or her imprisonment without labor or heavier punishment declared by a court was completely executed (including cases where such imprisonment is deemed completely executed) or exempted;
 - (d) A person who is under the suspension of the execution of sentence of imprisonment without labor or heavier punishment declared by a court;
 - (e) A person in whose case one year has not passed since he or she was sentenced to a fine;
4. Where the applicant is a legal entity, institution or organization that is not domiciled in the Republic of Korea;
 5. Where three years have not passed since the permission was revoked (excluding where permission is revoked for falling under item (a) or (b) of subparagraph 3) pursuant to Article 35-7.
- (3) Where the Minister of Trade, Industry and Energy intends to grant permission for technology trust management business pursuant to paragraph (1), he or she shall consult in advance with the Chairman of the Financial Services Commission. In such cases, the Chairman of the Financial Services Commission shall provide his or her opinion within five days on a working-day basis from the date of receipt of a request for such consultation. <Amended on Jan. 26, 2012; Mar. 23, 2013>
 - (4) Upon receiving an application for permission for technology trust management business under paragraph (1), the Minister of Trade, Industry and Energy shall notify an applicant of the grant or denial of the permission or, if there is a delay in the permission process, of reasons therefor, within 20 days on a working-day basis from the date of receipt of the application. In such cases, if the grant or denial of the permission or reasons for any delay in the permission process are not notified within the said period, the permission shall be deemed granted on the date after the period expires. <Added on Jan. 26, 2012; Mar. 23, 2013>
 - (5) In providing notification of reasons for the delay of a permission process pursuant to paragraph (4), the Minister of Trade, Industry and Energy may extend the period for permission processing under paragraph (4) by no more than ten days. <Added on Jan. 26, 2012; Mar. 23, 2013>
 - (6) Any person who is granted permission for technology trust management business under paragraph (1) (hereinafter referred to as "technology trust management institution") may receive fees from trustors and users of technology, etc. and other persons involved in the transfer and commercialization of such technology, etc. (hereinafter referred to as "technology trustors, etc.") in connection with his or her business activities. <Amended on Jan. 26, 2012>
 - (7) The rates or amounts of fees under paragraph (6) shall be determined by each

technology trust management institution, after obtaining approval from the Minister of Trade, Industry and Energy. In such cases, the Minister of Trade, Industry and Energy may attach, to the approval, terms and conditions on the applicable period. <Amended on Jan. 26, 2012; Mar. 23, 2013>

- (8) Matters necessary for guidelines for fees under paragraph (7), the methods of payment therefor, procedures for approval thereof, etc. shall be prescribed by Ministerial Decree of Trade, Industry and Energy. <Amended on Jan. 26, 2012; Mar. 23, 2013>

[This Article Wholly Amended on Apr. 12, 2010]

Article 35-3 (Methods of Trust Work)

- (1) No technology trust management institution shall guarantee any compensation for loss or any gains regarding trusted technology, etc.
- (2) Each technology trust management institution shall, upon expiration of the term of a trust contract, pay or return the gains, etc. to the beneficiary or trustor, depending on the outcomes of management of the trusted technology, etc.
- (3) If a trustor of technology, etc. terminates his or her trust contract before expiration of the term of the trust contract, a technology trust management institution shall return or pay to the trustor gains accruing from the management of the trusted technology, etc. excluding fees for early termination stipulated in the trust contract: Provided, That when the trustor terminates the trust contract on grounds of transaction inconvenience or for any other reasons determined and published by the Financial Services Commission, the fees for early termination shall be included.
- (4) Each technology trust management institution may receive trust fees from trustors of technology, etc., as stipulated in trust contracts.

[This Article Added on Apr. 12, 2010]

[Previous Article 35-3 moved to Article 35-5 <Apr. 12, 2010>]

Article 35-4 (Consignment of Trust Work)

- (1) If a technology trust management institution deems that it is appropriate to consign its trust work to a third party in light of the purposes of trust and obtains consent from the relevant beneficiary regarding such consignment, it may consign part of its trust work prescribed by Presidential Decree to a third party, notwithstanding the provisions of Article 37 (1) of the Trust Act.
- (2) When a technology trust management institution consigns its trust work to a third party pursuant to paragraph (1), it shall ensure that the third party is a person suitable to conduct the relevant work in light of the purposes of trust (limited to those who meet qualifications required by related statutes, if any, to conduct the relevant work).

- (3) Where a technology trust management institution has consigned its trust work to a third party pursuant to paragraph (1), it shall supervise a third party as necessary to achieve the purposes of trust.
- (4) Each technology trust management institution shall be responsible to a trustor of technology, etc. only for the appointment and management of a third party to whom its trust work is consigned pursuant to paragraph (1).

[This Article Added on Apr. 12, 2010]

[Previous Article 35-4 moved to Article 35-6 <Apr. 12, 2010>]

Article 35-5 (Duty of Technology Trust Management Institutions)

- (1) Each technology trust management institution shall prepare and keep a list of technology, etc. managed by it every calendar quarter, as prescribed by Presidential Decree, to make it available to the general public for inspection or shall publish it through its Internet homepage or any similar means.
- (2) Upon receiving a request from a user, each technology trust management institution shall provide an user with the information specified by Presidential Decree as necessary for entering into a contract for the transfer of technology, etc. managed by the institution, within a reasonable period, unless there is a compelling reason not to do so.

[This Article Wholly Amended on Apr. 12, 2010]

[Moved from Article 35-3; previous Article 35-5 moved to Article 35-7 <Apr. 12, 2010>]

Article 35-6 (Supervision)

In order to protect technology trustors, etc. or to facilitate the transfer and commercialization of technology, etc., the Minister of Trade, Industry and Energy may require any technology trust management institution to submit data or necessary reports on the outcomes of business performance for the previous year and the business plan for the pertinent year or may issue an order for correction or any other necessary order to such institution. <Amended on Mar. 23, 2013>

[This Article Wholly Amended on Apr. 12, 2010]

[Moved from Article 35-4; previous Article 35-6 moved to Article 35-8 <Apr. 12, 2010>]

Article 35-7 (Revocation of Permission)

- (1) The Minister of Trade, Industry and Energy may revoke the permission of a technology trust management institution or issue an order to suspend its business for a prescribed period not exceeding six months, as prescribed by Presidential Decree, if the institution falls under any of the following subparagraphs: Provided, That when the institution falls under any of subparagraphs 1 through 3, the permission shall be revoked: <Amended on Jan. 26, 2012; Mar. 23, 2013>

1. Where the institution has obtained the permission under Article 35-2 (1) by fraud or other improper means;
 2. Where any ground for disqualification under any of Article 35-2 (2) 3 through 5 is applicable to the institution: Provided, That this shall be excluded in cases where a legal entity, institution or organization falling under Article 35-2 (2) 3 has replaced the executive officer or representative at issue and appointed a new one within three months from the date on which an event or cause constituting the ground for disqualification occurred;
 3. Where the institution has continued its business during the period of business suspension after it was subjected to the disposition of business suspension;
 4. Where the institution has received fees in excess of limitations approved pursuant to Article 35-2 (7);
 5. Where the institution has failed to keep or publish a list of technology, etc. or to provide information within a reasonable period, without a justifiable reason, in violation of Article 35-5;
 6. Where the institution has failed to submit any data or report under Article 35-6 without a justifiable reason or has submitted any false data or report;
 7. Where the institution has failed to comply with an order issued under Article 35-6 without a justifiable reason.
- (2) Detailed guidelines for an administrative disposition under paragraph (1) shall be prescribed by Ministerial Decree of Trade, Industry and Energy, taking into account the types, degree, etc. of violations. <Amended on Mar. 23, 2013>
- [This Article Wholly Amended on Apr. 12, 2010]
- [Moved from Article 35-2 <Apr. 12, 2010>]

Article 35-8 (Disposition of Penalty Surcharges)

- (1) If the disposition of business suspension is required against a technology trust management institution because it falls under any of Article 35-7 (1) 4 through 7, but it is anticipated that the disposition of business suspension is likely to undermine the public interest, the Minister of Trade, Industry and Energy may impose and collect a penalty surcharge not exceeding 50 million won as a substitute for the disposition of business suspension. <Amended on Mar. 23, 2013>
- (2) If a person upon whom a penalty surcharge was imposed pursuant to paragraph (1) fails to pay the penalty surcharge by the deadline for payment, the Minister of Trade, Industry and Energy shall collect it in the same manner as delinquent national taxes are collected. <Amended on Mar. 23, 2013>
- (3) The amounts of penalty surcharges depending upon the types, degree, etc. of violations for which penalty surcharges shall be imposed pursuant to paragraph (1), and other necessary matters, shall be prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

[Moved from Article 35-6 <Apr. 12, 2010>]

CHAPTER VII

SUPPLEMENTARY PROVISIONS AND PENALTY PROVISIONS

Article 36 (Report and Submission of Data)

If necessary for advancing a project to facilitate technology transfer and commercialization under Article 15, the head of each relevant central administrative agency may request any person participating in the project to submit a report or data on his or her performance of the project. In such cases, the person shall, upon receiving a request to submit a report or data on the performance, comply with the request in good faith, unless there is a compelling reason not to do so.

[This Article Wholly Amended on Apr. 12, 2010]

Article 37 (Hearings)

The head of each relevant central administrative agency shall hold a hearing whenever he or she intends to make any of the following dispositions: <Amended on Jan. 26, 2012>

1. Revocation of the designation of a technology trading agency under Article 10 (3);
2. Revocation of the designation of a company specializing in commercialization under Article 12-2 (2);
3. Revocation of the registration of a technology trader under Article 14 (4);
4. Revocation of the registration of a technology holding company under Article 21-6;
5. Revocation of the designation of a technology evaluation agency under Article 35 (3);
6. Revocation of the permission of a technology trust management institution or the suspension of its business under Article 35-7 (1).

[This Article Wholly Amended on Apr. 12, 2010]

[Title Amended on Jan. 26, 2012]

Article 38 (Prohibition against Divulgence of Confidential Information)

No person who has participated in the facilitation of technology transfer and commercialization shall divulge any confidential information of a public research institute or enterprise known to him or her while participating in the facilitation of technology transfer and commercialization.

Article 39 (Entrustment of Business Affairs)

The head of each relevant central administrative agency may entrust the head of KIAT, the head of a technology trading agency, or the head of a technology evaluation agency with part of his or her business affairs, as prescribed by Presidential Decree.

[This Article Wholly Amended on Apr. 12, 2010]

Article 40 (Legal Fiction as Public Officials in Application of Penalty Provisions)

The executive officers and employees of KIAT, a technology trading agency, or a technology evaluation agency who are engaged in the business affairs entrusted by the head of any relevant central administrative agency pursuant to Article 39 shall be deemed a public official in applying Articles 129 through 132 of the Criminal Act.

[This Article Wholly Amended on Apr. 12, 2010]

Article 41 (Penalty Provisions)

- (1) A person who has violated subparagraphs 2 and 4 through 7 of Article 108 of the Financial Investment Services and Capital Markets Act that apply mutatis mutandis under the proviso to Article 4 (2) shall be punished by imprisonment with labor for not more than five years or by a fine not exceeding 200 million won: <Amended on Jan. 21, 2014>
 1. Deleted; <Jan. 21, 2014>
 2. Deleted. <Jan. 21, 2014>
- (2) Any person who has divulged confidential information, in violation of Article 38, shall be punished by imprisonment with labor for not more than five years or by a fine not exceeding 50 million won.
- (3) A person who has run technology trust management business without obtaining permission in violation of Article 35-2 (1) shall be punished by an imprisonment with labor for not more than three years or by a fine not exceeding 200 million won. <Added on Jan. 21, 2014>
- (4) Any of the following persons shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 100 million won: <Amended on Jan. 21, 2014>
 1. A person who has acquired a trust asset as part of his or her proprietary property in violation of Article 104 (2) of the Financial Investment Services and Capital Markets Act that applies mutatis mutandis under the proviso to Article 4 (2);
 2. A person who has failed to receive an accounting audit in violation of Article 114 (3) of the Financial Investment Services and Capital Markets Act that applies mutatis mutandis under the proviso to Article 4 (2).
- (5) Imprisonment with labor and a fine may be imposed concurrently on any person who has committed an offense referred to in paragraphs (1), (3) and (4). <Amended on Jan. 21, 2014>

[This Article Wholly Amended on Apr. 12, 2010]

Article 42 (Joint Penalty Provisions)

If the representative of a legal entity, institution or organization, or an agent, servant or other employee of a legal entity, institution, organization or individual, commits an offense referred to in Article 41 (1), (3) or (4) in connection with the business of the legal entity, institution, organization or individual, not only shall such offender be punished accordingly, but the legal entity, institution, organization or individual shall be punishable by the fine prescribed in the said Article: Provided, That the foregoing shall not apply where the legal entity, institution, organization or individual has not neglected reasonable care and supervision in connection with the relevant business in order to prevent such offense. <Amended on Jan. 21, 2014>

[This Article Wholly Amended on Apr. 12, 2010]

ADDENDA <Act No. 8108, Dec. 28, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation

Article 2 (Transitional Measures)

- (1) The pre-existing plans for the facilitation of technology transfer and commercialization under Article 4 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed as the plans for the facilitation of technical transfer and commercialization under Article 5 of this Act.
- (2) The pre-existing Committee for the deliberation on policies on technical transfer and commercialization under Article 5 of the previous Technology Transfer Promotion Act and the member of the Committee as at the time this Act enters into force shall be deemed the Committee for deliberation on policies on technical transfer and commercialization under Article 6 of this Act and the member of the Committee.
- (3) The pre-existing specialized technology evaluation agencies under Article 8 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed the technology evaluation agencies under Article 35 of this Act.
- (4) The technology traders registered with the Korea Technology Transfer Center pursuant to Article 11 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed technology traders registered with the Minister of Commerce, Industry and Energy pursuant to Article 14 of this Act.

Article 3 Omitted.

Article 4 (Relationship to Other Statutes)

A citation of the previous Technology Transfer Promotion Act or any provision thereof by any other statute in force as at the time this Act enters into force shall be deemed

a citation of this Act or the corresponding provision hereof in lieu of the previous provisions, if there is such corresponding provision herein.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted)

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 8934, Mar. 21, 2008>

This Act shall enter into force six months after the date of its promulgation

ADDENDA <Act No. 9369, Jan. 30, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Articles 2 through 9 Omitted.

ADDENDUM <Act No. 9582, Apr. 1, 2009>

This Act shall enter into force six months after the date of its promulgation

ADDENDUM <Act No. 9689, May 21, 2009>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 10251, Apr. 12, 2010>

- (1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.
- (2) (Transitional Measures) A person who has obtained permission for a patent trust management business under the previous provisions as at the time this Act enters into force shall be deemed a person who has obtained permission for technology trust management business under this Act.

ADDENDA <Act No. 11231, Jan. 26, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Article 2 (Applicability to Permission for Technology Trust Management Business)

The amended provisions of Article 35-2 shall apply to any permission for technology trust management business for which an application is filed on or after the enforcement date of this Act.

Article 3 (Transitional Measures concerning Hearings)

If an opportunity to make statements has been given pursuant to the previous

provisions as at the time this Act enters into force, a hearing shall be deemed to have been held pursuant to the amended provisions of Article 37.

ADDENDA <Act No. 11232, Jan. 26, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation

Articles 2 through 12 Omitted.

ADDENDA <Act No. 11690, Mar. 23, 2013>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation.

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 12284, Jan. 21, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures concerning Incompetent Persons)

Incompetent persons under the adult guardianship under the amended provisions of Article 35-2 (2) 3 (a) shall be deemed to include persons in whose case the declaration of incompetency or quasi-incompetency remains effective under Article 2 of the Addenda to the Civil Act (Act No. 10429).

ADDENDA <Act No. 12844, Nov. 19, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: Provided, That any Act amended by Article 6 of this Addenda which was promulgated before this Act enters into force but the enforcement date of which has yet to arrive, shall enter into force on the enforcement date of each relevant Act.

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 14663, Mar. 21, 2017>

This Act shall enter into force six months after the date of its promulgation

ADDENDA <Act No. 14839, Jul. 26, 2017>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation: Provided, That any statute amended by Article 5 of this Addenda which was promulgated before this Act enters into force but the enforcement date of which has yet to arrive, shall enter

into force on the enforcement date of each relevant statute.

Articles 2 through 6 Omitted.

ADDENDUM <Act No. 15571, Apr. 17, 2018>

This Act shall enter into force three months after the date of its promulgation.

ADDENDUM <Act No. 17524, Oct. 20, 2020>

This Act shall enter into force three months after the date of its promulgation.

ADDENDA <Act No. 18469, Sep. 24, 2021>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation. (Proviso Omitted.)

Articles 2 through 10 Omitted.

ADDENDA <Act No. 19990, Jan. 9, 2024>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation

Article 2 Omitted.

Article 3 Omitted.

Policy Material 25-17-03

CONSULTATION ON
CAPACITY BUILDING FOR THE
IMPLEMENTATION AND MANAGEMENT OF STP,
IN ORDER TO PROMOTE
THE DIGITAL ECONOMY
AND THE DEVELOPMENT
OF EMERGING TECHNOLOGIES

발행인 | 김정언

발행처 | 정보통신정책연구원

충청북도 진천군 덕산읍 정통로 18

Tel. 043-531-4416 Fax. 043-531-4419

디자인 | 시드그래피 seedgraphy@naver.com

KISDI

18, Jeongtong-ro, Deoksan-myeon, Jincheon-gun,
Chungcheongbuk-do, 28982, Republic of Korea
Tel. +82-43-531-4416 Fax. +82-43-531-4419
www.kisdi.re.kr