

**Announcement**  
**Call for Proposals for The Korea-Vietnamese Materials & Components Industry**  
**Cooperation Joint R&D Projects**

Deadline for proposal submissions: October 8, 2015

## **1. Background**

The Ministry of Trade, Industry and Energy (hereafter “the MOTIE”) of the Republic of Korea and the Ministry of Industry and Trade (hereafter “the MOIT”) of the Socialist Republic of Viet Nam has cooperated to develop the Materials & Components (hereafter “M&C”) industry in Viet Nam since 2012.

Both governments launched the “Korea-Vietnam M&C Cooperation Program”, and it consists of training programs for M&C experts, technology transfers, and Joint R&D projects.

## **2. Purpose**

The Korea-Vietnam M&C industry Joint R&D program is for developing Materials and Components products through cooperation between Korean companies and Government Research Institutes (GRIs) with Vietnamese companies.

Both governments have cooperated for technology transfers in previous years, and discovered many business relationships between both countries’ companies.

This M&C Joint R&D program will help those companies to develop ready-to-market M&C products through joint R&D between both countries’ companies.

## **3. Scope of the Korea-Vietnam M&C Joint R&D program**

Korea and Vietnam are announcing a call for Proposals for the M&C joint R&D projects, focusing on developing products and applications in the Materials and Components technological area.

### **3. 1. Target Technologies**

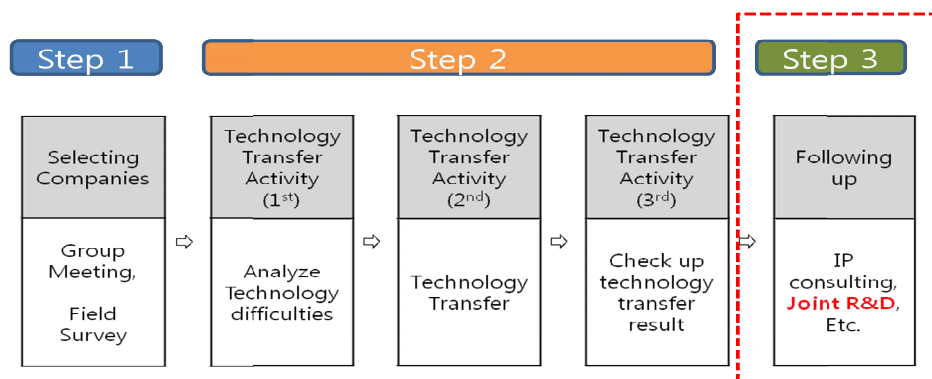
The Korea-Vietnam M&C cooperation is focused on four industry fields, Machinery & Metallurgy, Textile, Automotive, and Electrics/Electronics. The target technologies list for the M&C joint R&D projects is the 『100 leading technologies for Korea-Vietnam M&C cooperation』 which was announced by both governments in 2013. (Please see attachment 1)

### **3. 2. Target participants for the M&C Joint R&D**

The M&C Joint R&D program aims to support Vietnamese companies to develop M&C products through cooperation with Korean technology holders. Basically, the M&C joint R&D program supports companies which participated in the technology transfer program in

previous years. This program targets support to companies which made a business relation through technology transfer with Korea.

The M&C joint R&D program is STEP 3 of the technology transfer process.



However, because there are insufficient technology transfer cases to date, the application opportunity for the 2015 call will be open to companies which did not participate in the previous year technology transfer program.

## 4. Call Structure of the M&C Joint R&D Program

### 4.1. Budget

Total budget size is KRW 400,000,000 (Approximately VND 7,476,000,000 dependent on exchange rates), and four or five projects are expected to be supported in 2015. It means that each project budget will be less than KRW 100,000,000 (Approximately VND 1,869,000,000).

### 4.2 Consortium Structure

Each project should make a consortium consisting of Korean participants (companies or GRIs) and Vietnamese companies.

### 4.3 Financing Structure

As the M&C Joint R&D program is funded by the Korean government, the Korean government will provide R&D funds to Korean participants. The Korean participants will share the R&D fund with Vietnamese participants according to their project plan and negotiation. (The recommended fund share for Vietnamese participants is less than 30%)

Project funding is comprised of government contributions and civilian dues (cash and in-kind). The amount of government contributions will vary depending on the type of executing organizations and project in accordance with Article 24 (Funding criteria) and Article 25 (Civilian dues) of the Common Operational Regulations for the Industrial Technology Innovation Programs.

A party that participates in a project shall carry out its project using the government contributions allocated to it, and for-profit organizations shall individually bear the cash portion of civilian dues.

Classification	Share of government contributions in executing organization's project budget		Share of cash in executing organization's civilian dues	
	Original Technology	Innovative product	Original Technology	Innovative product
Large Company	50% or less	33% or less	20% or less	
Mid-tier Company	75% or less	60% or less	10% or less	
SME	75% or less	67% or less	10% or less	
Other	100% or less	100% or less	To be borne if necessary	

#### 4. 4. Duration of the R&D Projects

The R&D projects should be finalized in less than one year.

#### 4. 5. Minimum requirements

- The participants should include at least one Korean and one Vietnamese commercial company, and participation of GRIs/universities of each country is welcome.
- Companies and/or GRIS/universities from other countries cannot participate.
- Vietnamese companies owned by foreign investor (if more than 50% of shares) will not be regarded as a “Vietnamese companies”.

#### 4.6. Auditing

The R&D fund should be used in strict accordance with the project proposal. After finishing R&D Projects, project participants must submit receipt evidence to the Korean Program Manager (The KIAT), and a Korean CPA(a Certified Public Accountant) will audit to verify that the R&D fund was expended properly.

### 5. Process of M&C Joint R&D Projects selection

#### 5.1 Process of the M&C Joint R&D Project Select

Process	Activities	Schedule
Announcing the Call for the M&C Joint R&D Proposal	<ul style="list-style-type: none"> <li>• Both governments announce the call for the M&amp;C Joint R&amp;D Proposal in each country</li> </ul>	Sep
↓	↓	
Application	<ul style="list-style-type: none"> <li>• Applicants need to make a Korea-Vietnam consortium to apply for the R&amp;D project</li> <li>• Korean applicants need to submit a R&amp;D proposal to Korean Program Organizer (The KIAT)</li> </ul>	~8 <sup>th</sup> Oct

↓	↓	
<b>Review &amp; Selecting Projects</b>	<ul style="list-style-type: none"> <li>· Vietnamese Gov. (The MOIT) reviews proposals and selects projects candidates (first screen)</li> <li>· Korean Gov. (The MOTIE) reviews proposals and selects projects (Second screen)</li> </ul>	Oct
↓	↓	
<b>Project Contract</b>	<ul style="list-style-type: none"> <li>· Korean Gov. (the MOTIE) will make contracts with R&amp;D participants, and distribute R&amp;D funds</li> </ul>	Oct
↓	↓	
<b>Conducting Joint R&amp;D</b>	<ul style="list-style-type: none"> <li>· Each participant conducts their Joint R&amp;D project</li> <li>· During R&amp;D project period, each Gov. (MOTIE &amp; MOIT) monitor R&amp;D activities in their own countries,</li> </ul>	1 year
↓	↓	
<b>Evaluation &amp; Auditing</b>	<ul style="list-style-type: none"> <li>· Both Gov. will evaluate the result of the Joint R&amp;D projects.</li> <li>· Korean Gov. will audit R&amp;D project spend</li> </ul>	Nov. 2016

## 5.2 Criteria for Project Selection

Evaluation Criteria	Weighting	Contents
Technology	20	<ul style="list-style-type: none"> <li>• Business potential of the technology in Vietnam Market</li> <li>• Value of the Technology as a Joint R&amp;D</li> <li>• Possibility of M&amp;C Project development and marketability</li> <li>• Possibility of technology transfer to Vietnam (IPs &amp; Patents)</li> </ul>
Necessity & ripple effect	30	<ul style="list-style-type: none"> <li>• Necessity and feasibility of the Joint R&amp;D support for the project</li> <li>• How beneficial for each participants Business</li> <li>• How much affect to Vietnamese M&amp;C industry development.</li> </ul>
Project Plan	20	<ul style="list-style-type: none"> <li>• Goal of the Project</li> <li>• How well prepared strategy and structure of the joint R&amp;D</li> <li>• How well prepared detailed plan and feasibility</li> <li>• Possibility of M&amp;C product developed in the project period</li> </ul>
Ability of the R&D Participants	30	<ul style="list-style-type: none"> <li>• Experience and career of the R&amp;D project Participants</li> <li>• R&amp;D ability of Korean-Vietnam participants</li> <li>• Willingness of the participants</li> <li>• Ability of communication</li> </ul>
<b>Sum</b>	<b>100</b>	

## **6. Evaluation of the M&C Joint R&D Project Results**

The goal of the M&C Joint R&D program is developing ready-to-market M&C products through cooperation between Korean and Vietnamese companies. Therefore the most important criteria of the evaluation of the joint R&D result will be the success of the M&C project development.

## **7. Submission of the proposals**

### **7.1. Submission**

- Deadline: 8<sup>th</sup> October, 2015
- To apply to the call, Korean applicants need to submit proposal to the funding agency, the KIAT.
- The proposal should be written in both Korean and English and use the form provided.
- The proposal and other documents have to be sent electronically to [kangjs@kiat.or.kr](mailto:kangjs@kiat.or.kr). All Korean participants are also required to upload all documents to an online system ([www.pms.re.kr](http://www.pms.re.kr))
- Consultation in an early stage with the national funding organizations (KIAT in Korea) is highly recommended.

### **7.2. Contact**

#### **Korea**

Mr. Joosuk Kang  
Principal Researcher  
Korea Institute for Advancement of Technology  
5th Fl., Korea Tech. Centre, 305 Teheranno, Gangnam-gu, Seoul  
Tel.: +82-2-6009-3942  
Fax: +82-2-6009-3949  
E-mail: <mailto:kangjs@kiat.or.kr>.

#### **Vietnam**

Mr. Cao Bao Anh  
Senior Officer, Department of Heavy Industry  
Ministry of Industry and Trade  
54 Hai Ba Trung St., Hoan Kiem, Hanoi  
Tel.: +84-4-22202 408  
Fax: +84-4-22202-402  
E-mail: [anhcb@moit.gov.vn](mailto:anhcb@moit.gov.vn)