

PROVISIONS ON ESTIMATE PREPARATION, USE MANAGEMENT AND EXPENDITURE FINALIZATION OF STATE BUDGET FUNDS FOR SCIENCE AND TECHNOLOGY TASKS

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On January 10, 2023, the Minister of Finance issued Circular 03/2023/TT-BTC stipulating the estimate preparation, use management and expenditure finalization of State budget funds for science and technology tasks (**Circular 03**). Accordingly, Circular 03 has abolished a number of relevant provisions in Joint Circular 55/2015/TTLT-BTC-BHKN (**Circular 55**) and Joint Circular 27/2015/TTLT-BHKN-BTC (**Circular 27**). Although the scope of governance of Circular 03 focuses on the estimate preparation, use management and expenditure finalization of State budget funds for science and technology tasks, the Ministry of Finance encourages organizations to use funds other than the State budget for science and technology tasks as prescribed in this Circular. The following demonstrates several noteworthy contents in this Circular:

Firstly, amending the regulations on input elements constituting the State budget estimate for science and technology tasks. Basically inheriting the provisions from Circular 55, there are 10 groups of input elements constituting the State budget estimate for the performance of science and technology tasks according to Article 3, Circular 03. Circular 03, however, has some changes compared to Circular 55 with the regulation that the remuneration for unskilled workers who support the work within the research is one of the components of the State budget estimate for science and technology tasks (previously, they must have such title as technician, support staff). In addition, Circular 03 no longer uses the term "*direct labor remuneration*", instead, it uses the term "*remuneration for participation in science and technology tasks*" to determine the remuneration paid for titles and members engaging in the performance of



science and technology tasks.

Secondly, amending the framework of norms as the basis for formulating the State budget estimate for performing science and technology tasks. Article 4, Circular 03 stipulates the relevant framework of norms for each corresponding group of inputs, typically:

(i) Change the remuneration norms for titles performing science and technology tasks according to point b clause 1 Article 7 Circular 55; accordingly, some outstanding contents on the estimate of remuneration expenditure for participating in science and technology tasks are specified in Circular 03 as follows:

- Stipulating that the remunerations for titles or groups of titles performing science and technology tasks are calculated according to the number of months converted for participating the tasks, in which: the remuneration norm for the Leader of science and technology tasks must not exceed VND 40,000,000/person/month; remuneration norms for other titles or groups of titles must not exceed VND 32,000,000/person/month (not more than 0.8 times of the remuneration of the leader).
- Stipulating that the remunerations for hiring unskilled workers to support the work within the research are calculated according to the number of days, the payment per day equals the highest regional minimum wage divided by 22 days.
- Removing the regulation that the estimate for hiring domestic experts in case of hiring domestic experts by manday must not exceed VND 40,000,000/person/month (22 days/month).

(ii) Change the basis for determining expenditure estimates for science conferences, workshops, forums, seminars, domestic business trip expenses, international cooperation; at the same time, Circular 03 also increases the norms for formulating maximum remuneration estimates for participation in science conferences, forums and seminars for the following subjects correspondingly: the host; secretaries of seminars and forums; scientific reports proposed by the workshop organizers but not presented at the workshop; and panelists.

Thirdly, concretizing the contents and norms of expenditures for management of science and technology tasks. Accordingly, Article 5 Circular 03 adds some details as follows: remuneration and business trip expenses of experts handling technical issues to support the Panel's activities (if any); logistics expenditures for Panel meetings, and so on. In addition, the norms for management of science and technology tasks are also increased compared to those specified in Circular 55, for example, the norm for the chairman of the Advisory Panel to determine science and technology tasks is VND 1,500,000 (previously VND 1,000,000); the norm for the science secretary is VND 300,000 (not prescribed previously), etc.

COMMENTS AND RECOMMENDATIONS

It can be seen that Circular 03 has made changes in line with the actual implementation of science and technology tasks, and at the same time, has contributed to overcome the inadequacies and obstacles resulted from the regulations specified in Circular 55, especially the provisions on the framework of norms and norms of specific State budget expenditures when performing science and technology tasks. Circular 03 takes effect from February 26, 2023 and terminates the following provisions in Circular 55 and Circular 27: (i) Articles 1 to 4; Article 6; point b clause 1 Article 7 (regulations on direct remuneration for titles performing science and technology tasks calculated according to the converted mandays); clauses 2 to 9 of Article 7; Articles 8 to 16 of Circular 55; and (ii) Clause 3 Article 14 Circular 27.

Enterprises and organizations involved in the implementation of science and technology tasks need to update the provisions of Circular 03 and other relevant legal documents for application in accordance with the law.