

**LAW No. 06/L-049**

**ON SCIENTIFIC INNOVATION AND TRANSFER OF KNOWLEDGE AND TECHNOLOGY**

**The Assembly of the Republic of Kosovo,**

Based on Article 65 (1) of the Constitution of the Republic of Kosovo,

Approves:

**LAW ON SCIENTIFIC INNOVATION AND TRANSFER OF KNOWLEDGE AND TECHNOLOGY**

**Article 1**  
**The purpose**

The purpose of this Law is to regulate the field of scientific innovation and transfer of knowledge and technology in the Republic of Kosovo.

**Article 2**  
**Definitions**

1. Terms used in this Law shall have the following meaning:

1.1. **Scientific innovation** – discoveries or scientific inventions which lead toward a new production, new process or new technology, with unique characteristics, created based on individual or team scientific achievements;

1.2. **Transfer of knowledge and technology** – transfer of the right and ownership or the right to use a part or entirety of a technology or an idea from the party that is entitled to transfer this kind of technology or knowledge;

1.3. **National scientific innovation system** – a series of organizations, institutions and their relations that has for purpose generation, spread and implementation of scientific and research activity and technological improvements in the Republic of Kosovo;

1.4. **The scientific innovation activity** – activities which are undertaken for the purpose of scientific innovation of the product, technologies, processes and services;

1.5. **Innovation** – an activity undertaken with the purpose of creating new products, technologies, processes and services or knowledge, by replacing or advancing the old ones, in order to achieve overall social progress for market need;

1.6. **Innovative product** – application of a new product or improved in a considerable manner, but that is not a change of aesthetic nature or only sale of invented products, manufactured or developed by a natural or legal person;

1.7. **Scientific Innovation process** – implementation of a new method or significantly

improved of a production, distribution, preservation and transport, including important changes in technique, equipment or software, but not just organizational and managerial changes;

1.8. **Scientific innovation technology** – application of new technology or improved considerably;

1.9. **Scientific Organizational innovation** – implementation of new changes or important in the structure or methods of management, in order to improve the implementation of knowledge, the quality of products or services, or increase the efficiency of business processes in the relevant legal entity or access to new markets;

1.10. **Scientific innovation marketing** - application of new marketing methods, including important changes in compilation of product, packing, distribution and promotion of such product and its payment;

1.11. **Scientific innovation service** – application of a new service or significantly improved;

1.12. **Subject of scientific innovation activity** – a legal person or a natural person performing scientific innovation activity or distributing new knowledge and technology, in an original or systematic manner, applying scientific results to an original and contemporary technological process for the purpose of scientific innovations, development of new prototypes, products, processes and services or upgrading the existing ones in a particular area and registered in the central register;

1.13. **Unit that provides infrastructural support for the scientific innovation activity** – a legal person that provides infrastructural support and networking between scientific and research organizations, scientific innovation organizations and economic subjects registered in the central register of the Republic of Kosovo;

1.14. **Scientific Innovator** – a natural person who has contributed with its scientific innovation activity in creation of products, technologies, processes and new services or significantly improved;

1.15. **Scientific Innovation project** – a document that proposes implementation methods of activity scientific innovation programs, resulting in creation of products, technologies, processes and new services or significantly improved;

1.16. **Scientific Innovation infrastructure** - formed environment in the field of information and communication technologies, technical and technological equipment, physical infrastructure (spatial, transportation, internet and intranet) as a knowledge infrastructure (sources of scientific and research institutions and other educational and consulting resources), being a driving force that aims the restructuring of the business sector and networking of the subjects of scientific innovation activity from the academic and economic sectors;

1.17. **The newly established micro trade enterprise** – small and medium enterprise “means an established company from one or more natural persons and or legal persons”, from the establishment of which until the moment of applying for funding from the budget, has not passed a period of more than six (6) years;

1.18. **The newly established spin-off trade enterprise** – a trade company established from one or many physical person, who are employed/hired or students of a higher education institution, respectively scientific research activity/ or legal subjects established from organizations performing scientific and research activity and/or from economic subjects, for the purpose of commercial exploitation of scientific innovation, transferred to the newly-established trading company;

1.19. **Co-funded grants** – a grant by which a beneficiary must take part with its own funds in the amount of at least fifteen percent (15%) of the total investment;

1.20. **Capital investment** – an investment in a trading company with a limited obligation and a sole owner, by which an existing part of the ownership is bought from a company that performs an innovative activity in compliance with this law or enterprise from which a new part in the company is earned;

1.21. **Mezzanine investment (intermediate)** – an enterprise with features of capital investment and financing of a trade society credit with limited responsibility and a sole owner performing innovative activities in accordance with this law;

1.22. **Fund of mezzanine investment (intermediate) and of equality** – a special property without the capacity of a legal person, established to support the scientific innovation activity by collecting investors' funds, with the aim of implementing the capital instrument and intermediate investments;

1.23. **Incomes (honoraries) from the scientific innovation commercialism** – incomes from implementation of scientific innovation, which are funded from the Fund for Scientific Innovations and Technological Development and in compliance with funding agreement;

1.24. **Scientific Innovative Accelerators** - innovative mechanisms for financing powerful start-ups in the technology sector. These programs use a selective application process to aim scalable startup, with high value and high growth. Accelerators help entrepreneurs sometimes to trade undeveloped business ideas, by helping startups go to public, to earn or receive additional funds in a short period of time.

### Article 3

#### Scientific innovation

Scientific discoveries or innovations that lead to a new product, new process or new technology with unique characteristics, created based on individual, team or scientific achievements.

### Article 4

#### Bearers of the scientific innovation

1. Bearers of the scientific innovation are:

1.1. Academy of Sciences and Arts of Kosova;

1.2. Universities and other institutions of higher education;

- 1.3. Scientific-research institutions;
- 1.4. Scientific Innovation centers;
- 1.5. Companies and entrepreneurships;
- 1.6. Natural and legal persons, domestic and foreign;
- 1.7. Pre-university education institutions.

2. Public sector and private sector are treated in equal manner in the field of scientific innovation according to the legislation in force.

#### **Article 5**

##### **Responsibilities of MEST and of the relevant Ministries**

1. MEST and relevant Ministries are responsible for motivating and promoting the development of innovative activity.
2. MEST and relevant Ministries are responsible for compilation of policies and relevant strategies that organize, plan and promote development of scientific innovation, and also coordination of stakeholders.
3. For realization of responsibilities, MEST cooperates with relevant Ministries in order to:
  - 3.1. promote the development of the overall capacity of Kosova in the field of scientific innovation;
  - 3.2. cooperate with institutions and individuals in order to have a more organized approach to the scientific innovative activity;
  - 3.3. collect and provide information to institutions responsible for innovative scientific activity in the country;
  - 3.4. report to the Government, at least once a year, regarding the achievements and problems in this field.
4. Government with sub-legal act shall define specific tasks for each Ministry in the field of scientific innovation.

#### **Article 6**

##### **The Scientific Innovation Council**

1. MEST in cooperation with relevant Ministries establishes the Scientific Innovation Council to monitor the development and commercial implementation of scientific innovations.
2. The council consists of seven (7) members with proven international results in science, scientific innovation and business. Members of the Council are appointed from:

- 2.1. Ministry of Education, Science and Technology;
- 2.2. Ministry of Trade and Industry;
- 2.3. Ministry of Economic Development;
- 2.4. Ministry of Innovation and Entrepreneurship;
- 2.5. Ministry of Diaspora and Strategic Investments (from Diaspora);
- 2.6. Kosovo Chamber of Commerce;
- 2.7. organizations dealing with development, research and innovation.

3. Duties and responsibilities of the Council:

- 3.1. prepares analyses and professional plans related to scientific innovative activity;
- 3.2. select the best international and national practices and proposes them to the Government for application.

4. The activity of the Council is administered and coordinated from the department of Science and Technology in MEST.

5. Organization, activity and detailed composition of the Council is regulated with special sub-legal act.

6. Besides the Scientific Innovation Council, the relevant Ministries create other mechanisms, for the purpose of promotion, development and management of the innovative activity in the Republic of Kosova.

#### **Article 7**

##### **Register of the scientific innovative institutions**

1. MEST and the relevant Ministries keep the register of public and private institutions, and of natural entities that deal with innovative activity.
2. MTI and MCYS through competent bodies keep the register of the industrial and intellectual ownership.
3. Terms for registration of institutions or scientific innovations/patents are determined with sub-legal act proposed by the relevant Ministries and adopted by the Government.

#### **Article 8**

##### **Other institutions for scientific innovation**

1. Other public or private institutions that deal with scientific innovation activity are:

1.1. Manufacturing development institutions;

1.2. Research institutions;

1.3. Scientific innovation institutions.

2. Manufacturing development institutions create scientific innovation, apply new technologies, make promotion and placement of products, services and technologies created by its scientific innovative and development work.

3. Research institutions deal with development and applicative researches, create scientific innovations and make distribution of knowledge and new technologies in their production or services and of others.

4. The scientific innovation institutions deal with the activity, in which, in original manner and systematically are applied scientific results or modern technological processes, with the purpose of creating scientific innovations, prototypes development, new productions and processes or services. These institutions, simultaneously perform transfer knowledge and of technology to other economic entities.

5. Terms for licensing and registration of institutions are determined with sub-legal act issued by MEST.

#### **Article 9**

##### **Supporting institutions for scientific innovation**

1. Supporting institutions for provision of infrastructural assistance in the field of scientific innovation are:

1.1. Business-technological incubator;

1.2. Scientific-technological Park;

1.3. Scientific innovation accelerators.

#### **Article 10**

##### **Business-technological Incubator**

1. Business-technological incubator is a business institution created with a view to make available working space, provision of administrative, technical and other services, newly created enterprises or institutions that perform scientific innovation activity in the first year of their establishment.

2. Licensing, registration and functioning of the business-technological incubator is regulated with sub-legal act issued by MEST.

## **Article 11**

### **Scientific-technological Park**

1. Scientific-technological park provides professional and infrastructural services to universities, scientific-research institutions and other institutions that deal with scientific innovation and that belong to a certain field of science.
2. The park's services aim to create connections between scientific-research institutions for application of technologies, creation of new products and services, as well as their placement in the market.
3. All institutions that use these services or are related to the scientific-research park enjoy the status of the scientific-research park member.
4. This status enables the park members to use spatial and infrastructural conditions, working conditions and other services, in order to increase the level and quality of scientific-research, developmental, innovative and manufacturing work.
5. Provision of services and their use is regulated with an agreement between parties.
6. The rights and obligations of the members of scientific-technological park are regulated by contract.

## **Article 12**

### **Enterprises with scientific-technological park status**

1. As a scientific-technological park can also be registered the enterprise which meets these conditions:
  - 1.1. with statute has defined the scientific field, research-developmental and production field, in which the park members perform the scope;
  - 1.2. in its composition must be at least three (3) partner members, who have similar or the same research-development, scientific innovative and production programs;
  - 1.3. they must have full employment relationship, experienced staff and with expertise in the field of basic park activity;
  - 1.4. there is enough space available for the respective activity;
  - 1.5. there are equipment for realizing the plan and necessary projects from its scope, as well as devices for internet communication;
  - 1.6. it has database and certain fund of the scientific and professional literature of the relevant field.
2. The licensing conditions and registration in register is regulated by MEST with sub-legal act.

### **Article 13**

#### **Transfer of knowledge and technology**

1. Transfer of knowledge and technology means transfer of the ownership right or the right to use a part or entirety of a technology or an idea from the party that has the right to transfer this kind of knowledge and technology.
2. Transfer of knowledge and technology is developed among natural and legal entities within the country.
3. Transfer of knowledge and technology means bringing new knowledge and technologies from outside or sending knowledge and technologies outside the country.

### **Article 14**

#### **Competences of MEST and the relevant Ministries**

1. MEST in cooperation with MTI has the authority to determine manner of administration, conditions of transfer, protection and recognition of a certain knowledge or technology.
2. Department or relevant centre of MEST, administers the field of knowledge and technology transfer based on this law, other laws and sub-legal acts regulating this field.
3. Transfer of knowledge and technology can be done by:
  - 3.1. ASAK;
  - 3.2. Universities;
  - 3.3. Scientific-research institutions;
  - 3.4. Companies and enterprises;
  - 3.5. Legal and natural entities that deal with transfer of technology.
4. Transfer of knowledge and technology cannot be done without preliminary permission of MEST.
5. The licensing of public and private institutions for conducting transfer of knowledge and technology is done by MEST.
6. Terms and criteria of licensing are determined with sub-legal act.

### **Article 15**

#### **The permissible technology forms for transfer**

1. The technology forms that can be partially or completely transferred are:
  - 1.1. technical knowledge for conducting technological processes;



1.2. technical information for certain technologies, which can be transferred in form of technological plans, technological processes, technical solutions, formulae, technical specifications, drawings, technical maps, computer programs and computer files;

1.3. solutions for optimization of production and advancement of technology.

#### **Article 16**

##### **The right for the technology transfer**

1. The owner of a technology or owner of certain knowledge is entitled to transfer the right of using the technology that it possesses.

2. Each party that has permission of the owner of a technology or permission of the author of certain knowledge for transfer should have the right to use it according to the legislation in force for the copyright and related rights.

3. Each party that possesses knowledge or technology, whose deadline for protection has expired, can transfer it.

#### **Article 17**

##### **Technologies, transfer of which is encouraged**

1. Technologies, transfer of which is encouraged, are high and progressive technologies that meet the requirements below:

1.1. establish new products which are more competitive;

1.2. establish new industries or new services or advances existing industries and services;

1.3. save energy or raw materials;

1.4. use new energetic resources or renewable energy;

1.5. protect human health;

1.6. prevent or fight natural disasters or epidemics;

1.7. protect the environment.

2. Encourage transfer of knowledge and technologies that enable development and advancement of domestic and handicraft products.

#### **Article 18**

##### **Technologies, transfer of which is limited**

1. It is limited the transfer of a technology that is not in compliance with:

1.1. protection of national interest;

1.2. protection of human health;

1.3. protection of national cultural values;

1.4. protection of flora and fauna of natural resources or environment;

1.5. it is also limited the transfer of those technologies that emerge as obligation from implementation of a provision or an international treaty, which is ratified by the Republic of Kosova;

1.6. it is also limited the transfer of knowledge and technologies that are not allowed with other local normative acts.

### **Article 19**

#### **Technologies, transfer of which is prohibited**

1. Transfer of these technologies or knowledge is prohibited:

1.1. technology which fails to meet the requirements stipulated by laws on labour safety, hygiene at work, protection of the human health and protection of natural resources and environment;

1.2. technology that creates products that cause harm on socio-economic development and has a negative impact on protection and national security of the Republic of Kosova;

1.3. technology which is prohibited with any provision of an international treaty, which the Republic of Kosova has signed or is a member;

1.4. technology that figures in the list of state secrets, unless if otherwise is stipulated by the law.

### **Article 20**

#### **Forms of the technology transfer**

1. Transfer of knowledge and technology is allowed to be implemented through the following forms:

1.1. with an independent transfer contract;

1.2. as part of projects or of contracts, in the form of investment projects, franchising contract (use of someone else's successful models), contract on transfer of industrial property rights, contract for purchase and sale of machinery or of equipment in which the transfer of a technology is attached;

1.3. other forms of technology transfer are stipulated with sub-legal act;

1.4. the prohibited activities during technology transfer are regulated with sub-legal act.

## **Article 21**

### **Funding**

1. Means for Scientific innovation and Transfer of Knowledge and Technology are provided by:

- 1.1. Budget of the Republic of Kosova,
- 1.2. Donations;
- 1.3. Scientific Innovation investing fund;
- 1.4. Angel investors and societies of angle investor;
- 1.5. Mechanisms for venture capital;
- 1.6. Institutions, enterprises and organizations dealing with scientific innovation and transfer of knowledge and technology;
- 1.7. EU programs and other resources;

2. The conditions for registration of the mechanisms foreseen in sub-paragraph 1.3; 1.4; 1.5; and 1.6 of this Article are regulated according to the applicable legislation.

## **Article 22**

### **Issuance of sub-legal acts**

Government and Ministry within six (6) months from entry into force of this Law, shall issue sub-legal acts foreseen with this Law.

## **Article 23**

### **Repealing provisions**

With entry into force of this Law are repealed all provisions that are in contradiction with this Law.

## **Article 24**

### **Entry into force**

This law enters into force fifteen (15) days after publication in the Official Gazette of the Republic of Kosova.

**Law No. 06/L-049**  
**2 November 2018**

**Promulgated by Decree No.DL-055-2018, dated 21.11.2018, President of the Republic of Kosovo Hashim Thaçi.**