Content

Title：	Innovation Act for Industry-Academia Collaboration and Talent Cultivation in National Key Fields Ch
Date：	2021.05.28
Legislative：	1.Be it enacted and promulgated by the Presidential Order Hua Zong (1) Yi Zih No. 11000050211 on 28th May of the 110th Year of the Republic of China, with 53 articles, and shall take effect as of the date of promulgation.
Content：	Chapter 1 General Principles Article 1 To promote innovation in industry-academia collaboration and talent cultivation in national key fields, enhance the performance of research and development (hereinafter referred to as "R&D" for short) of national universities, cultivate highly skilled scientific and technological talent, and strengthen industrial competitiveness, this Act is hereby enacted. The provisions of the University Act, the Degree Conferral Act, the Teachers' Act and other relevant legislation shall apply to the handling of matters not provided for in this Act. Article 2 The competent authority referred to in this Act is the Ministry of Education. Article 3 The definitions of terms used in this Act are given below: 1.Innovation: referred to as the management innovation of industry-academia collaboration and talent cultivation undertaken by national universities through the establishment of research institutes in particular key national fields (hereinafter referred to as a "key research institute" or "key research institutes" for short). 2.Personnel included in the staffing headcount: referred to as teachers, professional technicians, researchers, and office staff employed in full-time positions by a key research institute in accordance with the provisions of the Teachers' Act, the Act Governing the Appointment of Educators, the University Act, the Public Functionaries Appointment Act, and related laws and regulations. 3.Personnel not included in the staffing headcount: referred to as various personnel that a key research institute employs on a contract basis, excluding the personnel referred to in the preceding subparagraph. Article 4 The competent authority shall set up a steering committee on the innovation of industry-academia collaboration and of talent cultivation in national key fields (hereinafter referred to as "the innovation steering committee" for short) to deliberate over and supervise the following matters: 1.The selection of national key fields. 2.The eligibility criteria for national universities to lodge applications and the eligibility criteria for collaborating enterprises. 3.Applications by national universities to set up or continue a key research institute. 4.The competent authority's appointments (assignments) of and replacements for the government representatives on each national university supervisory committee (hereinafter referred to as "the supervisory committee" for short) and on the management committee of each key research institute (hereinafter referred to as "the management committee" for short).

5.The keeping of copies of key research institutes' annual operations plans and performance reports for reference.
6.Changes to the innovation plan of a key research institute.
7.Closure or cessation of operations of a key research institute.
8.Formation of ad hoc groups to visit key research institutes or commissioning of a Certified Public Accountant (hereinafter referred to as "CPA" for short) to audit the operation of a key research institute.
9.Supervision of other matters related to key research institutes.
The innovation steering committee referred to in the preceding paragraph shall have between 15 and 21 members for a four-year term who comprise government representatives of the competent authority, the National Development Council, the Ministry of Economic Affairs, the Ministry of Science and Technology and other related government agencies, and scholars, experts and industry representatives; the person appointed to represent the competent authority shall be the convener. The number of government representatives shall not be less than half of the total number of committee members; and the number of the committee members of any one gender shall not be less than one third of the total number of the committee members. When a vacancy occurs on the committee during the term of its members, a person may be appointed (assigned) to concurrently fill the vacancy; the said replacement's term of office will last until the end of the original term.
Any members of the innovation steering committee, their spouses, and their blood relatives and in-laws within the third degree of kinship may not serve as a member of the supervisory committee or the management committee and may not take part in any industry-academia collaboration or talent cultivation matters organized by the key research institute. Violators of this provision shall be removed from the supervisory committee and from the management committee, and their participation in any industry-academia collaboration or talent cultivation organized by the key research institute shall be halted, by the national universities.
The national key fields referred to in Subparagraph 1 of Paragraph 1, and the eligibility criteria for national universities to lodge applications and for collaborating enterprises referred to in Subparagraph 2 shall be announced by the competent authority after being deliberated on and approved by the innovation steering committee.

Article 5
After a national university's application to set up a key research institute has been deliberated over and approved by the innovation steering committee and approved by the competent authority, the key research institute shall handle matters of industry-academia collaboration and talent cultivation in national key fields.

Article 6
A key research institute shall have independent staffing and an independent budget, and it may issue official documents externally; its administration including personnel, budget and accounting, and general affairs may be handled concurrently by the personnel of the national university who handle the corresponding matters.
The key research institute budget referred to in the preceding paragraph comes under the university endowment fund, compiled as a sub-budget of a subordinate unit budget and categorized as an independent budget.

Article 7
A key research institute has the following sources of funding:
1.Appropriations from the National Development Fund of the Executive Yuan.
2.Independently generated revenue from the following sources:
(1)Income from the key research institute's tuition and miscellaneous fees.
(2)The key research institute's income from continuing education.
(3)The key research institute's income from industry-academia collaboration.
(4)The key research institute's income from government subsidies for scientific research or from commissioned implementation.
(5)The key research institute's income from management of venues and

facilities.
(6)The key research institute's income from gifts and donations.
(7)The key research institute's income from investment earnings.
(8)The key research institute's income from other sources.
If the funding referred to in Item 3 and Item 6, Subparagraph 2 of the preceding paragraph is from a collaborating enterprise or enterprises, the funding amount provided this way each year shall not be less than appropriations from the National Development Fund of the Executive Yuan referred to in Subparagraph 1 of the preceding paragraph; if the annual financial statements show that this requirement has not been met, the competent authority shall order the key research institute to take action to make improvements within a specified period and conduct regular follow-ups until improvements are made. The said improvements shall be listed as an evaluation item for the research institute and as a reference for the review of its application for renewal of operations.
The funds of a key research institute are used for the payment of:
1.The key research institute's teaching and research expenses.
2.The key research institute's personnel costs.
3.Scholarships and grants for key research institute students.
4.The key research institute's industry-academia collaboration expenses.
5.Expenses for the addition, expansion, and/or improvement of the key research institute's assets.
6.Provision of a set proportion of the key research institute's income from its R&D performance to the national university, designated for enhancing teaching staff, supplementing facilities, and for other expenditure on further development of the university.
Other expenses related to further development of the key research institute.

Chapter 2 Applications for and Reviews of Setting up Key Research Institutes

Article 8
After the university council of a national university has approved the university's application for setting up a key research institute, the national university shall submit the following materials and documentary evidence to the competent authority to convene a meeting of the innovation steering committee to deliberate over:
1.Documents that meet the publicly announced application eligibility criteria referred to in Paragraph 4 of Article 4.
2.An innovation plan.
3.The charter and by-laws of the university, the by-laws of the key research institute, and the staffing headcount tables of the institute.
4.The minutes of the university council meeting at which the proposal to lodge an application was approved.
5.Other documents stipulated by the competent authority.
The by-laws of the key research institute and the staffing headcount tables of the institute referred to in Subparagraph 3 of the preceding paragraph shall be reported to the competent authority after a key research institute has been set up and implemented after the competent authority gives approval.

Article 9
The innovation plan referred to in Subparagraph 2, Paragraph 1 of the preceding article shall give explicit details of the key research institute's plans for the following matters:
1.Innovative ideas and distinguishing features of the plan.
2.The innovation plan schedule and location(s) for its implementation.
3.A plan for the funding to be provided to the key research institute each year by collaborating enterprise(s) and the mechanism(s) for participating in industry-academia collaboration and talent cultivation.
4.Matters pertaining to the qualifications, selection and appointment method, term of office, reappointment for a further term, and criteria for dismissal of the dean.
5.The qualifications of and method for the appointment of academic heads including administrative managers at each level, academic directors of

subsidiary graduate institutes, and chairpersons/directors of degree programs.
6.A personnel system governing appointment procedure(s), length of appointment, concurrent employment, secondments, reviews of qualifications, and age of personnel, and the qualifications of contract-based employees.
7.Salary bonuses for the dean, teachers, professional technicians, and researchers, which have been jointly set-up with industry partners; flexible payment of bonuses to office staff and concurrently employed national university personnel for work performance.
8.Increasing the number of or making and adjustments to graduate institutes, degree programs, eligibility criteria to sit for PhD entrance examinations, direct entrance into a master's degree program by bachelor's degree students, enrolment method(s) and quota(s), prescribed periods for completing programs, and course credits for each course.
9.The procedure for assessment and recognition of foreign academic records and credentials, the name of each degree, the criteria for conferring each degree, the awarding and registration of each degree diploma, the formation of master's degree and doctor's degree examination committees for, and the requirements for doctoral candidacy.
10.Course design, teaching and teacher deployments, collaboration mechanisms and joint models of supervision and guidance for talent cultivation with industries.
11.Timeline for the implementation of having courses fully taught in foreign languages.
12.Enrollment of overseas students.
13.Teaching quality assurance mechanism(s).
14.A risk management system and procurement operations.
15.Provision of a set proportion of income from the R&D performance to the national university for improving teaching staff and supplementing facilities, and for other further development of the university and the expected benefits.
16.Performance targets for industry-academia collaboration and talent cultivation.
17.Items invested in, maximum investment amount limit(s), and the associated deliberation procedures.
18.Management of budget compilation and implementation, compilation of annual financial statements, and related financial income and expenditure for auditing purposes.
19.Mechanisms for closure or cessation of institute operations and the settlement of students, teachers and other pertinent personnel that follows.
20.Change of the administration authority over the national property of which the national university is in charge, and the key research institute managing the provision and use of the national property.
If, in accordance with this Act, the provisions of related laws and pertinent regulations do not apply to a key research institute within the scope of the matters listed in the preceding paragraph, the key research institute shall set out the pertinent provisions that are not applicable and the alternative measures to be otherwise taken in its innovation plan.

Article 10
An innovation plan shall cover a period of between eight years and twelve years. When the competent authority is considering giving approval for a key research institute to continue operating beyond this period, in accordance with the provisions of Paragraph 1, Article 12, it shall take into consideration of the operating performance and achievement of the key research institute; once approved, each extension shall be eight years or more but shall not exceed twelve years.

Article 11
The competent authority shall decide to approve or reject an application within two months after receiving it and inform the national university in writing; if necessary, this two-month period may be extended once only, for a further month at most.
If the competent authority requires a national university to submit

supplementary application documents, the period referred to in the preceding paragraph, during which an application is deliberated over, shall commence from the day after the submission of the complete documents.
After the innovation plan has been approved by the competent authority in accordance with Paragraph 1, relevant regulations for the key research institute shall be drawn up based on the content of the plan; the national university shall submit the said regulations to the competent authority for reference upon ratification through the procedures stipulated in this Act.

Article 12
A key research institute shall put forward a report on its results before the innovation plan is due to come to an end, and it may simultaneously put forward an application to subsequently continue operating. After being deliberated over by the management committee and the supervisory committee, the report on its results shall be presented to the university council for it to deliberate over, and the national university shall submit the report to the competent authority six months before the innovation plan ends. The provisions of Article 8 and Article 9 and of the preceding article shall apply mutatis mutandis to the application, deliberation, and approval procedures for the institute's continued operation.
The report on the results referred to in the preceding paragraph shall incorporate details of the implementation performance of the innovation plan, measures for improvement, and other matters that must be recorded.

Article 13
In principle, an innovation plan with the approval of the competent authority in accordance with the provisions of Article 11 shall remain unchanged. If any change to the content of the plan becomes necessary, it shall be reported by the national university to the competent authority convening a meeting of the innovation steering committee authority for review and approval after being deliberated over and approved by the management committee and the supervisory committee.

Chapter 3 Supervisory Mechanisms

Article 14
The university council of the national university shall handle the following matters:
1.Deliberation over applications to set up or continue operating a key research institute.
2.Deliberation over the closure or cessation of operations of a key research institute.
3.Keeping copies of the key research institute’s plans for improvement for reference.
4.Documenting the key research institute’s annual operations plans and performance reports for reference.
5.Approval of the appointment of industry representatives, the representatives of the full-time teachers nominated by the president of the university, and external scholars and experts to the supervisory committee.
Documenting the regulations governing supervisory committee’s operations, and performance assessments, and other matters to be observed, for reference.

Article 15
A national university that sets up a key research institute shall set up a supervisory committee with 15 members, and each term of the member appointed to serve on the committee shall not exceed four years. The members shall select one member to be the convener.
The supervisory committee shall comprise government representatives, a representative of graduate students, a student association representative, industry representatives, representatives of fulltime teachers, and an external scholar or expert, appointed by the national university. The number of representatives in each category and the method of their selection and appointment are as follows:
1.Five government representatives who are appointed (assigned) by the competent authority after deliberation and approval by the innovation

steering committee. The competent authority may appoint or assign replacements on a needs basis. One of the government representatives must be a full-time teacher at the national university.
2.One graduate student representative is nominated by a student-related autonomous organization at the national university; if the national university does not have an autonomous organization associated with graduate students, the graduate student representative shall be nominated by the graduate students in the national university's student association.
3.A student association representative is nominated by the national university's student association.
4.Two industry representatives are nominated by the president of the university and approved by the university council.
5.There are five representatives of full-time teachers, three of whom do not have a concurrent administrative position; two of these three are elected by the teacher representatives on the university council from among themselves, and one is elected by the teachers' organization at the national university. If the national university does not have a teachers' organization, that representative will be elected by the teacher representatives on the university council from among themselves. The other two full-time teacher representatives are teachers who have been nominated by the president of the university and approved by the university council.
6.One external scholar or expert shall be nominated by the president of the university and approved by the University Council.
At least one of the members of the supervisory committee shall have a professional auditing background and related work experience.

Article 16
The supervisory committee has the following responsibilities:
1.Approval of appointments of the management committee members of the key research institute.
2.Approval of the appointment of the dean of the key research institute.
3.Deliberation over unfitness of the dean of a key research institute.
4.Formulation of regulations governing the operations and performance assessment of the supervisory committee and other matters to be observed.
5.Formulation of regulations governing the appointment, operations, recusal, and performance assessment of auditing personnel and other matters to be observed.
6.Formulation of items pertaining to supervision and appraisal of the dean of key research institute.
7.Deliberation over any proposed changes to the innovation plan.
8.Deliberation over the key research institute's annual operations plans and performance reports.
9.Documenting the plan for improvement in addressing the key research institute's poor operational planning and/or performance, as identified by the management committee, for reference.
10.Deliberation over the plan for improvement proposed by the key research institute based on its performance report.
11.Deliberation over plans for continuing the operations or the closure of the key research institute, or deliberation over plans for cessation of its operations.
12.Documenting the key research institute's regulations governing the management committee operations, performance assessments, and other matters to be observed, for reference.
13.Documenting the provision of a set proportion of the key research institute's income from its R&D performance to the national university each year for improving teaching staff, supplementing facilities, and for other expenditure for further development of the university, for reference.
14.Documenting the key research institute's regulations governing procurement operations for reference.
15.Documenting the key research institute's regulations governing student affairs for reference.
16.Documenting the key research institute's regulations governing the appointment, salaries, concurrent employment, secondment, reviews of qualifications, dismissal, suspension, and non-renewal of employment of its personnel for reference.
17.Documenting the key research institute's regulations governing

implementation of its risk management system for reference.
18.Documenting the key research institute's regulations governing management of its budget compilation, implementation, and compilation of annual financial statements, and related financial revenue and expenditure for reference.
19.Documenting the key research institute's regulations governing its teaching quality assurance mechanism(s), evaluation, and relevant matters for reference.
20.Stipulated in this Act apart from the preceding 19 subparagraphs, matters that shall be deliberated over or documented for reference by the supervisory committee.
21.Other matters related to the supervision of the key research institute.
The regulations referred to in Subparagraph 4 of the preceding paragraph shall be submitted to the university council of the national university for reference.

Article 17
The supervisory committee shall appoint one or several auditing personnel to check the financial books and statements, and internal controls of the key research institute, assess its operating performance and then produce an annual audit report; the key research institute shall cooperate by providing pertinent information and shall not evade, hinder, or refuse.
After the review and approval of the annual audit report referred to in the preceding paragraph by the supervisory committee, the auditing personnel shall regularly follow up on the shortcomings or irregularities listed in the report until improvements are achieved.

Chapter 4 Key Research Institutes - Organizational Structure & Operations

Article 18
A key research institute shall set up a management committee with between nine and fifteen members, each of whom may not serve on the committee for more than four years. Apart from the dean of the key research institute and government representatives, the members shall be nominated by the president of the national university and appointed by the university after the supervisory committee has given approval. The members shall mutually elect one person to be the convener from among all the members with the exception of the dean of the key research institute.
The management committee shall comprise the dean of the key research institute as an ex-officio member, and government representatives, representatives of full-time teaching and non-teaching personnel, representatives of the key research institute graduate students, and industry representatives. The number of government representatives and that of industry representatives shall each comprise one third of the the number of the committee members.
The government representatives referred to in the preceding paragraph shall be appointed or assigned by the competent authority after being approved by the innovation steering committee; and the competent authority may appoint or assign replacements on a needs basis.
Any member of the supervisory committee or their spouse, or any blood relatives and in-laws within the third degree of kinship may not serve as a member of the management committee. If such a person is appointed in breach of this provision, the national university shall immediately remove that person from the management committee.

Article 19
The management committee has the following responsibilities:
1.Nomination of the dean of the key research institute.
2.Deliberation over unfitness of the dean of a key research institute.
3.Drawing up regulations governing management committee operations, performance assessment, and other matters that the management committee must comply with.
4.Drawing up the key research institute's management guidelines.
5.Approval of appointment of members of the industry-academia review panel(hereinafter referred to as "the industry-academia panel" for short).

6.Deliberation over proposed changes to the innovation plan.
7.Deliberation over the key research institute's annual operations plans and performance reports.
8.Deliberation over or putting forward plans for improvement of the key research institute.
9.Deliberation over plans for a key research institute to continue operating, be closed down, or cease its operations.
10.Deliberation over the provision of a set proportion of the key research institute's income from its R&D performance to the national university each year for improving teaching staff, supplementing facilities, and for other expenditure for further development of the university.
11.Deliberation over the regulations governing procurement operations of a key research institute.
12.Deliberation over the regulations governing student affairs of a key research institute.
13.Deliberation over the key research institute's regulations governing the appointment, salary, concurrent employment, secondment, reviews of qualifications, dismissal, suspension, and non-renewal of employment of its personnel.
14.Deliberation over the key research institute's regulations governing implementation of its risk management system.
15.Deliberation over the regulations governing management of the key research institute compilation and implementation of budgets, and compilation of annual financial statements and related financial revenue and expenditure.
16.Deliberation over the regulations governing the key research institute's teaching quality assurance mechanism(s), evaluation, and relevant matters.
17.Deliberation over regulations governing the composition and setting up of the industry-academia panel, members' qualifications, length of time members serve on the panel, method(s) of operation, and other matters to be observed.
18.Stipulated in this Act apart from the preceding 17 subparagraphs, matters that shall be deliberated over by the management committee.
19.Other powers of office, which do not exceed the scope of the dean's authority set out in Article 20, and which have been added by a resolution of the management committee.
The regulations referred to in Subparagraph 3 of the preceding paragraph shall be submitted to the supervisory committee for reference.

Article 20
A key research institute shall have one dean who has been nominated by the management committee and appointed by the national university after the supervisory committee has approved the nomination. The maximum term served by a dean shall be the same as the maximum term served by the members of the management committee.
The dean shall oversee the overall management of the affairs of the institute in accordance with the laws and regulations and the provisions of the key research institute regulations, implement resolutions made by the management committee, be supervised and assessed by the supervisory committee, and represent the key research institute externally regarding matters within the scope of their position.
The dean shall be a full-time teacher or concurrently served by a teacher in the staffing headcount of the national university or of the key research institute. The person shall not hold any full-time positions outside the university, in addition to teaching at the key research institute and/or the university.
If the Dean is found to be unfit for the position, the following provisions shall apply:
1.If found guilty of exploiting an opportunity provided by their position to commit a crime, the dean will be automatically dismissed.
2.If the dean's behavior is improper or is damaging the image of the key research institute to such an extent that the person is determined to be unfit for the position, or if the operating performance of the key research institute is poor, the management committee shall order the said dean to make improvements within a specified time limit. If there has been no

improvement by the end of the specified time limit or if the improvements made have been ineffective, the national university shall dismiss the dean upon approval by the supervisory committee following the resolution to dismiss the dean made by at least half of the members of the management committee in attendance at a meeting of that committee attended by at least two-thirds of its members. If the management committee has been negligent handling this matter, the dean shall be dismissed by the national university if a meeting of the supervisory committee attended by at least two-thirds of its members is held and more than half of those attending support a resolution to do so.
The qualifications, selection process, term of office, reappointment for a further term, and essential criteria for dismissal of the dean referred to in Paragraph 1 and other matters to be observed shall be formulated by the key research institute. After deliberation and approval by the management committee, they shall be submitted to the supervisory committee for reference, and they shall not be subject to the restrictions stipulated in Paragraph 2 of Article 13 of the University Act and Article 21 of the Public Functionaries Appointment Act.

Article 21
A key research institute shall set up an industry-academia panel, with between seven and nine members, one of whom, the dean, shall serve as the convenor. The other members shall be nominated by the dean and appointed by the key research institute after the Management Committee gives approval.
The industry-university panel has the following responsibilities:
1.Undertaking the duties of the key research institute pertaining to the national university's teacher evaluation committees at each level that are stipulated in the Teachers' Act, the Act Governing the Appointment of Educators, the University Act and other related legislation, including deliberations over the appointment of teachers, reviews of their qualifications, the suspension, dismissal, non-renewal of employment, dismissal with severance pay and other matters.
2.Advising on matters related to the key research institute's teaching, research, skilled professional personnel training, and industry-academia collaboration.
The composition and setting up of the industry-academia panel referred to in Paragraph 1, the qualifications of its members, the length of their term on the committee, its operating method, and other matters to be observed shall be formulated by the key research institute, and after being deliberated on and approved by the management committee, the details shall be reported to the supervisory committee for reference, and these matters are not subject to the provisions of Article 20 of the University Act.

Article 22
To assist a key research institute in handling the matters referred to in Article 5, a national university may make the key research institute the administration authority of state-owned assets of which the university is in charge.
If the key research institute is closed down or ceases operating, the national university shall become the administration authority of the state-owned assets that the key research institute was in charge of.

Article 23
A key research institute's increasing the number of or making and adjustments to graduate institutes, degree programs, eligibility criteria to sit for PhD entrance examinations, direct entrance into a master's degree program by bachelor's degree students, enrolment method(s) and quota(s), prescribed periods for completing programs, and course credits, and the procedure for assessment and recognition of foreign academic records and credentials shall not be subject to the provisions of Article 12, Paragraph 2 and Paragraph 3 of Article 23, Article 24, Article 26, and Article 28 of the University Act.
The name of each degree conferred by the key research institute, the criteria for conferring each degree, the awarding and registration of the associated degree diploma, the formation of master's degree and PhD examination committees, and the requirements to become a PhD candidate

shall not be subject to the provisions of Paragraph 2 and Paragraph 3 of Article 3, Article 8, Paragraph 1 and Paragraph 2 of Article 9, Article 10, and Article 11 of the Degree Conferral Act.
The regulations governing the operations, recognition criteria and other relevant matters to be observed referred to in the preceding two paragraphs, which are not subject to the provisions of the University Act or the Degree Conferral Act shall be formulated by the key research institute and then reported to the supervisory committee for reference, after being deliberated on and approved by the management committee.
In principle, if the key research institute is adding another class for a master's degree program or for a PhD program, it shall only add one extra for the master's degree program and only one extra for a PhD program. If the competent authority gives approval for the key research institute to continue operating, in accordance with the provisions of Paragraph 1 of Article 12, the number of students in the master's degree and PhD programs may be increased year by year.

Article 24
A key research institute shall handle industry-academia collaboration matters that, according to the University Act and pertinent regulations, shall be handled by the national university.

Article 25
A key research institute shall provide 10% or more of its revenue from the performance of R&D to the national university for improving teaching staff, supplementing its facilities, and for further development of the university. However, the university may come to an agreement with the key research institute for provision of a higher percentage, for the development of teaching and research and to implement plans of great importance for further development of the university.
The key research institute shall determine the percentage and use of the revenue from the performance of R&D referred to in the preceding paragraph and report the details to the supervisory committee for reference upon deliberation and approval by the management committee.

Article 26
The provisions of Paragraph 1 to Paragraph 3 of Article 6 of the Fundamental Science and Technology Act shall apply, mutatis mutandis, to the performance of key research institute R&D collaboration undertaken with industry and the income earned thereby without using government subsidies, commissions, funding, or legally-budgeted allocations of science and technology research and development funding.

Article 27
Except where otherwise stipulated by treaties or agreements concluded by this country, the provisions of the Government Procurement Act shall not apply to the procurements required by a key research institute.
The key research institute shall draw up regulations governing the operations pertaining to the procurement matters referred to in the preceding paragraph. These matters shall include the procurement operational procedures, method(s), avoidance of conflicts of interest, supervision, dispute handling and relevant matters. The said regulations shall be reported to the supervisory committee for reference upon deliberation and approval by the management committee.

Article 28
When handling the matters referred to in Article 5, a key research institute may lease state-owned real estate and moveable property that it manages to a collaborating enterprise for development, construction or operation, establishment of superficies, or use without compensation, without being subject to the provisions of Article 28 of the National Property Act.
The key research institute shall give a detailed account of the scope, mode(s), maximum number of years for use, purposes, and other associated matters pertaining to the provision of state-owned real estate and moveable property for use referred to in the preceding paragraph. The key research

institute shall report the said account to the supervisory committee and the competent authority for reference upon deliberation and approval by the management committee, and a written agreement shall be drawn up.
The maximum number of years for which the state-owned real estate and moveable property referred to in the preceding paragraph is provided for use shall not exceed the number of years covered by the plan approved by the competent authority.
When the agreement between a key research institute and a collaborating enterprise expires and it will not be renewed, the collaborating enterprise shall return the state owned real estate and moveable property that were provided to it for use; the collaborating enterprise's existing and useable property that was collaboratively operated shall thereby be transferred to the state with or without compensation in accordance with the original agreement, and the key research institute shall be the administration authority.
If a key research institute is closed down or ceases operating, all state-owned real estate and moveable property it has provided shall be returned and any agreement made with a collaborating enterprise shall be terminated; the collaborating enterprise's existing and useable property that was collaboratively operated shall be transferred to the state with or without compensation in accordance with the original agreement, and the national university shall become the administration authority.

Article 29
Unless otherwise stipulate in this Act, the rights and obligations of the personnel in the staffing headcount of a key research institute shall be handled in accordance with the laws and regulations, pertaining to educators and civil servants.
The key research institute shall draw up personnel regulations governing the eligibility qualifications, appointment and termination of employment procedures, length of appointment, work or teaching hours, qualification review, leave, remuneration, assessments, welfare, retirement, insurance, and other rights and obligations of its employees not included in the staffing headcount. The said regulations shall be thereby submitted to the supervisory committee for reference upon deliberation and approval by the management committee.

Article 30
A key research institute shall draw up personnel regulations governing the following matters to be submitted to the supervisory committee for reference upon deliberation and approval by the management committee:
1.The basic salary, seniority pay, and salary bonuses of teachers, professional technicians, and researchers in the staffing headcount.
2.Work performance bonuses for office staff in the staffing headcount who handle key research institute operations extremely well.
3.The basic salary, seniority pay, and salary bonuses of teachers, professional technicians, and researchers employed by the national university and jointly employed by the key research institute.
Work performance bonuses for national university relevant personnel who concurrently handle key research institute personnel, budget and accounting, and general affairs related administrative matters.

Article 31
A key research institute shall draw up personnel regulations governing the qualifications and method for the selection and appointment of academic directors of subsidiary graduate institutes, chairperson/director of degree programs, and administrative managers at each level. The said regulations shall be reported to the supervisory committee for reference upon deliberation and approval by the management committee. These regulations are not subject to the provisions of Paragraph 2 and Paragraph 4 of Article 13, and Paragraph 2 of Article 14 of the University Act or the provisions of Article 21 of the Public Functionaries Appointment Act.

Article 32
A key research institute shall select one of the methods set out below to appoint teachers to its staffing headcount and include the selected method

in its innovation plan. The method shall be implemented upon submission to and approval by the innovation steering committee after deliberation by the university council. The appointment of the teachers in its staffing headcount by a key research institute:
1.is deliberated over and approved by the industry-academia panel.
2.is deliberated over and approved by the industry- academia panel, and then reported to and reviewed and approved by a teacher review committee at the level of university council.
The key research institute shall draw up personnel regulations governing the method of appointment, procedures, initial appointment, renewed appointment, and maximum number of years for long-term appointments of the teachers referred to in the preceding paragraph. The said regulations shall be submitted to the supervisory committee for reference upon deliberation and approval by the management committee. These regulations shall not be subject to the provisions of Article 18 of the University Act, Subparagraph 3 of Paragraph 1 of Article 26 and Paragraph 1 of Article 37 of the Act Governing the Appointment of Educators, and Paragraph 3 of Article 10 of the Teachers' Act.

Article 33
When, because of scientific research needs, a researcher at a key research institute must use technology as investment equity or take up a concurrent position, the matter shall be handled in accordance with the provisions of Paragraph 4 and Paragraph 5 of Article 17 of the Fundamental Science and Technology Act.
When key research institute personnel handle matters referred to in Article 5, apart from the use of technology as investment equity or the taking up a concurrent position because of referred to in the preceding paragraph, the scope of other concurrent posts, duties and matters to be observed shall be subject to personnel regulations drawn up by the key research institute. The said regulations shall be submitted to the supervisory committee for reference upon deliberation and approval by the management committee. These regulations shall not be subject to the restrictions stipulated in Article 34 of the Act Governing the Appointment of Educators, Paragraph 1 and Paragraph 2 of Article 13, and Article 14 of the Public Functionary Service Act.

Article 34
A key research institute undertaking the matters referred to in Article 5 shall draw up personnel regulations regarding the associated employee age limits for appointing a professor or assistant professor included in the staffing headcount who has an international academic reputation or an understanding and mastery of international cutting-edge core technology and also has experience leading an academic or research team. The said regulations shall be submitted to the supervisory committee for reference after being deliberated on and approved by the management committee. These regulations shall not be subject to the provisions of Article 33 of the Act Governing the Appointment of Educators that stipulate age limits beyond which a person shall not be employed as a full time educator. However, individuals over age 70 during the semester of appointment may not be employed.

Article 35
In accordance with the provisions of the Teachers' Act and of related legislation, reviews of the qualifications of teachers in the staffing headcount of a key research institute shall be undertaken through review procedures of the teacher review committee and handled in accordance with the following provisions:
1.The industry-academia panel shall deliberate over and approve the appropriate qualifications of teachers being employed in accordance with the provisions of Subparagraph 1, Paragraph 1, Article 32.
2.The industry-academia panel shall deliberate over and approve the appropriate qualifications of teachers being employed in accordance with the provisions of Subparagraph 2 of Paragraph 1 of Article 32, and then submit them to a teacher review committee at the level of university council for deliberation and approval.

When the provisions of the Teachers' Act require a national university to report the qualifications of a teacher on the staff of a key research institute to the competent authority to review them, the key research institute shall report the teacher's qualifications to the competent authority for review.
The key research institute shall draw up personnel regulations governing procedures for reviews of teachers' qualifications. The said regulations shall be submitted to the supervisory committee for reference after being deliberated on and approved by the management committee.

Article 36
Teachers in the staffing headcount of a key research institute may request secondment to a profit-seeking enterprise or corporation to work in a position related to their area of teaching or research expertise. The key research institute shall draw up personnel regulations governing secondments, and submit them to the supervisory committee for reference after being deliberated on and approved by the management committee.

Article 37
In accordance with the provisions of the Teachers' Act, the suspension, dismissal, non-renewal of employment, and dismissal with severance pay of teachers in the staffing headcount of a key research institute shall be undertaken through review procedures of the teacher review committee and handled in accordance with the following provisions：
1.The industry-academia panel shall deliberate over and approve these matters affecting teachers being employed in accordance with the provisions of Subparagraph 1, Paragraph 1, Article 32.
2.The industry- academia panel shall deliberate over and approve these matters affecting teachers being employed in accordance with the provisions of Subparagraph 2, Paragraph 1, Article 32 and then submit them to a teacher review committee at the level of university council to deliberate over and approve.
The suspension, dismissal, non-renewal of employment, and dismissal with severance pay of teachers in the staffing headcount of a key research institute that require approval by the competent authority in accordance with the Teachers' Act shall be submitted by the said institute to the competent authority for approval.

Article 38
A teacher on the staff of a key research institute who considers that some measure taken by the key research institute that the teacher has personally been subject to is illegal or inappropriate and that it constitutes a violation of their rights and interests may lodge an appeal, and a further appeal with the faculty grievance review committee at each level, in accordance with the provisions of Article 42 of the Teachers' Act.
If there is no representative of the key research institute among the members of a national university faculty grievance review committee referred to in the preceding paragraph that will deliberate over a case, an additional person shall be appointed to the committee and the normal restrictions on the number of committee members and their term on the committee do not apply.
For other key research institute personnel for whom education legislation may be applied, mutatis mutandis, or for whom such matters are handled with reference to the provisions of the Teachers' Act regarding appeals, the provisions of the two preceding paragraphs may be applied, mutatis mutandis.

Article 39
Each key research institute shall establish a risk management system and implement its own supervision, and auditing and assessments of personnel, finance, and operations matters; the regulations for the implementation shall be drawn up by the key research institute and be submitted to the supervisory committee for reference after being deliberated on and approved by the management committee.
The design of the risk management system shall incorporate the following items, and the key research institute may add more items independently

based on management requirements:
1.The setting up of internal controls.
2.Control of the environment and risk assessment.
3.Control operations.
4.Information and communications.
5.Supervisory operations.

Article 40
A key research institute accounting matters shall be handled in accordance with the accounting system for the national university's university endowment fund.

Article 41
The budget and annual financial statements of the key research institute shall be submitted to the supervisory committee for reference after being deliberated on and approved by the management committee, and the national university shall submit these to the competent authority for handling in accordance with budget and annual financial statement procedures.

Article 42
The compilation and implementation of the budget of a key research institute, and the compilation of its annual financial statements shall be handled in accordance with the provisions of the Budget Act, the Accounting Act, the Financial Statement Act, the Audit Act, and the relevant laws and regulations. However, this requirement does not apply to any key research institute income from sources referred to in Subparagraph 2, Paragraph 1, Article 7.
A key research institute shall draw up regulations governing the management of the affairs and income and expenditure of income from sources referred to in Subparagraph 2, Paragraph 1, Article 7 and shall submit the regulations to the supervisory committee for future reference upon deliberation and approval by the management committee.
The financial supervision and management matters of a key research institute shall be handled in accordance with the related provisions of this Act and shall not be subject to the provisions of Article 5 to Article 11 of the National University Endowment Fund Establishment Act.

Article 43
A key research institute shall draw up a report on its annual operations plan. This report shall incorporate the performance targets, the key annual work focal points, financial planning, risk assessment, expected benefits, and other important matters. The report shall be presented to the management committee for deliberation and then to the university council and to the competent authority for reference upon approval by the supervisory committee.

Article 44
A key research institute shall present the results of the implementation of its annual operational planning report as a performance report. The performance report shall include details of achievement of the performance targets, benefits, changes to its financial circumstances, reviews and improvements, and other important matters. The key research institute shall present the performance report to the management committee for deliberation and then to the university council and to the competent authority for reference upon approval by the supervisory committee.

Article 45
A key research institute shall set up one or more teaching quality assurance mechanism(s). The key research institute shall formulate regulations governing the teaching quality assurance mechanism(s), associated evaluations, and related matters and submit these regulations to the supervisory committee for reference upon deliberation and approval by the management committee.
When the competent authority carries out a university evaluation in accordance with the provisions of Paragraph 2, Article 5 of the University Act, the scope of the evaluation shall include the key research institute.

Chapter 5 Key Research Institute Discontinuation Mechanisms

Article 46
If the management committee determines that the key research institute's operational planning and/or performance is poor, the situation shall be handled in accordance with one of the following provisions:
1.The management committee shall order the key research institute to put forward a plan for improvement within a specified time limit and the key research institute shall implement the plan upon deliberation and approval by the management committee and submit it to the supervisory committee for reference.
2.If the key research institute fails to put forward a plan for improvement in accordance with the provisions of the preceding subparagraph or if the management committee disapprove the plan after deliberation over it, the management committee may put forward a plan for improvement and order the key research institute to implement it and the management committee shall submit the plan to the supervisory committee for reference.
If the supervisory committee determines that the key research institute's operating performance is poor after deliberating over the key research institute's performance report, the key research institute shall draw up a plan for operation improvement within six months that addresses each operations item and submit the plan to the management committee for deliberation. If the management committee approves the plan, the key research institute shall submit it to the university council for reference. The key research institute shall report its handling of the plan for operation improvement referred to in the preceding paragraph to the supervisory committee on a regular basis; if the supervisory committee determines that the improvements made are not effective and the key research institute must be closed down, the key research institute shall put forward a closure plan within three months. The plan shall be deliberated over by the management committee and the supervisory committee, then presented to the university council for approval, after which the national university shall submit the plan to the competent authority for approval, and if the plan is approved, the national university shall implement it. If the management committee is negligent in its handling of the situation, the supervisory committee shall put forward a closure plan then present it to the university council for approval, after which the national university shall submit the plan to the competent authority for approval, and if the plan is approved, the national university shall implement it.

Article 47
If one of the following circumstances applies to a key research institute, and the competent authority has ordered improvements to be made within a specified time limit, but there has been no improvement by the end of the specified time limit or the improvements made have been ineffective, the competent authority may order the closure of the key research institute after convening a meeting of the innovation steering committee to deliberate over the matter:
1.Its academic goals are facing obstruction making it difficult to realize them, or are experiencing some serious difficulty making it unable to continue its operations.
2.It has acted in violation of this Act or has not operated as set out in its innovation plan, and the circumstances are serious.
3.The supervisory committee or the management committee is unable to make resolutions or does not implement resolutions that have been made, and this is affecting the normal operations of the key research institute.
4.There is conflict between the members of the supervisory committee and/or the members of the management committee and/or the dean, and this is affecting the normal operations of the key research institute.
5.An evaluation of a key research institute finds that the institute is being poorly run, and this is affecting the rights and interests of its students and/or its teaching or other personnel.
6.The financial situation has seriously deteriorated, and the key research institute is already unable to pay its debts, or its normal operations are

being significantly affected.

Article 48
If a key research institute will cease operating, it shall put forward a plan for operation cessation. The plan shall be deliberated over by the management committee and the supervisory committee, then presented to the university council for approval. The national university shall submit the plan to the competent authority for approval one year before the innovation plan comes to an end, and if the plan for operation cessation is approved, the national university shall implement it.

Article 49
When a key research institute is being closed down or ceasing its operations, it shall handle the situation in accordance with the following provisions:
1.The national university shall advise the students and assist them in transferring to another graduate institute and, in accordance with relevant regulations, give generous credit transfer/waiver for course credits they have already earned.
2.The staff in the staffing headcount of a key research institute shall continue to have a position at or be employed by the national university; however, this does not apply to staff members who agree to be dismissed with severance pay or retire.
3.The contracts of the key research institute’s employees not included in the staffing headcount shall be terminated.

Chapter 6 Supplementary Provisions

Article 50
Recusal of members of the supervisory committee and members of the management committee shall be handled in accordance with the provisions of Article 32 and Article 33 of the Administrative Procedure Act.

Article 51
The detailed report of procurements, budget, annual financial statements, annual operations plan, and performance report of the key research institute shall be announced within one month upon completion of the procedures stipulated in the provisions of Article 27, Article 41, Article 43, and Article 44 and shall be posted in an area of the website of the national university that is dedicated to the key research institute and accessible to the general public.

Article 52
Upon deliberation and approval by the innovation steering committee, the competent authority may form an ad hoc group to visit a key research institute or commission a CPA to examine its accounts for the purpose of understanding its operating circumstances.

Article 53
This Act shall take effect on the day of promulgation.

Data Source： Laws and Regulations Retrieving System