



Innovation PROGRAMME – Innovation Project - Call III

Are you a business which develops new ideas and produces and subsequently markets innovative products, technology or services? Are you thinking of improving your company's organisational or marketing processes? If so, the Innovation programme – Innovation Project is designed with you in mind.

SCHEDULE

Aid applications may be submitted:

- 18. 1. 2017 – 18. 4. 2017

SUPPORTED ACTIVITIES

- Increasing the technical and utility values of products, technologies and services (product innovation).
- Increasing the efficiency of production processes and services (process innovation).
- Implementing new methods of organising corporate processes via the deployment of new information systems to integrate and automate intra-company processes targeted especially at connecting R&D activities, innovation and production (organisational innovation).
- Increasing sales of products and services by making substantial changes to the design of products or packaging, or launching new sales channels (marketing innovation).

APPLICANT

Applicants for aid are business entities, agricultural entrepreneurs (as defined by Act No. 252/1997 Coll., on Agriculture) and entrepreneurs in the food industry specialising in the production of items not included in the list given in Annex I of the Treaty on the Functioning of the European Union with an R&D and innovation project, which:

- is licensed to engage in business corresponding to the supported economic activity for which the project is implemented, no later than by the date on which the last payment request is sent.
- must confirm (in an affidavit) that it is registered as an income tax payer in an EU Member State, for at least two consecutive taxation periods prior to the date on which the aid application was filed; the applicant is aware that when the aid is paid out it must have set up an establishment or branch in the Czech Republic.
- must confirm (in an affidavit) that it has no outstanding liabilities towards selected institutions in the country in which it is based or in which its branch is based or towards support providers from

projects co-financed from the EU budget; deferral of outstanding arrears or an agreement to pay the arrears shall be considered settlement of the arrears.

- must confirm (in an affidavit) that it has no outstanding liabilities in connection with employee salaries.
- has no outstanding liability on the basis of a recovery order issued following a Commission decision declaring aid to be unlawful and incompatible with the internal market.

SECTORAL CLASSIFICATION

- Aid is awarded to projects whose outcomes take effect in the sectors defined by CZ-NACE sections C10, 11, 13 – 33, E 38.32, J 58, 59.20, 60, M 71.2, S 95.1, with the exception of CZ-NACE 19.10 and 20.60.
- Aid is not provided for projects whose outcomes take effect in any of the following sectors:
 - Production, processing and marketing of the products listed in Annex No 2 of the Call
 - Coal industry (CZ-NACE B 05, C 19.1)
 - Steel sector (sectors defined in Annex No 2 of the Call)
 - Industrial production of synthetic fibres (sectors defined in Annex No 2 of the Call)
 - Shipbuilding (CZ-NACE C 30.11)
 - Transport and related infrastructure (CZ-NACE H 49, H 50, H 51)
 - Production and distribution of energy and energy infrastructure (CZ-NACE D 35)

MAIN CONDITIONS OF CALL

- The project must be implemented within the Czech Republic, with the exception of the City of Prague.
- The applicant must provide clear proof of ownership or other rights to the property and land where the project is to be implemented.
- The project must include all the mandatory elements specified in the Call for submission.
- The project does not envisage aid for activities linked to quantities exported (export subsidies), aid for the establishment and operation of a distribution network abroad, or for other current export-related costs (customs duties, insurance, etc.); nor does it envisage aid contingent upon the use of domestic goods over imported goods.
- The project may not have been started before the date of submission of the aid application.
- The project must not violate EU horizontal policies and their basic principles, such as equal opportunities between men and women and sustainable development.
- Projects with total expenditure exceeding 5 million CZK will require a Financial Investment Analysis; projects with total expenditure exceeding 100 million CZK will require an economic analysis, which will take account of the socio-economic impact of the project according to the set code list.

ELIGIBLE EXPENSES

- Project documentation, including engineering work,
- Buildings,
- Technology,
- Software and data,
- Rights to use intellectual property,
- Product certification,
- Marketing innovation,
- The costs of the obligatory project publicity are only eligible if they meet the characteristics required for publicity as stated in the Eligibility and Publicity Rules – general part.

FORM AND AMOUNT OF AID

- The grant provided for the project amounts to a minimum of 1 million CZK and a maximum of 100 million CZK.
- Aid intensity:
 - Small enterprise – 45 % of eligible expenses
 - Medium-sized enterprise – 35 % of eligible expenses
 - Large enterprise – 25 % of eligible expenses
- The beneficiary is obliged to provide a financial contribution amount to at least 25 % of eligible expenses, either from its own resources or through external funding, in a form which contains no state aid as defined by of Article 107(1) of the Treaty on the Functioning of the European Union.