



Programme Innovation – Innovation Project – Call VII

The aim of the programme and the Call is to strengthen the innovation performance of domestic firms and to improve their competitiveness through increasing the use of unique know-how created in cooperation with the academic and research sector, expanding the know-how of firms for their own innovation and increasing the efficiency of internal processes in innovation management so that the number of firms, mainly of local origin, in the position of technological leaders grows.

SCHEDULE

Receipt of applications for support:

- 15. 10. 2019 – 15. 1. 2020

SUPPORTED ACTIVITIES

- Increasing the technical and utility values of products, technologies and services
- Improving the efficiency of production processes and services provision
- Implementing new methods of organising corporate processes via deployment of new information systems to integrate and automate intra-company processes targeted especially at interconnecting research and development (R&D) activities, innovation and production
- Increasing sales of products and services by a substantial change in product or packaging design, or introducing new sales channels

APPLICANT

- can be a business entity¹; a small and medium-sized enterprise as defined in Annex I to Commission Regulation (EU) No 651/2014, or a large enterprise. The support may be provided to enterprises not meeting the definition of small and medium-sized enterprises under Annex 1 to Commission Regulation (EU) No 651/2014 only for projects with intervention code 065.
- shall keep accounting or tax records expanded with special requirements or separate accounting for the project;

¹A natural person or legal person running a business; the person must have an assigned Business ID or a similar identification number of another State.

- is authorized to conduct business corresponding to the supported economic activity which is to be carried out through the project;
- is, based on its statutory declaration, registered as an income tax payer in any of the EU member states and has been so continuously for at least two closed tax periods preceding the date of submitting the application; the applicant notes that it will have to have an establishment or a branch established in the Czech Republic at the moment of receiving the aid; The applicant must have the branch registered, as of the first request for payment, in the Register of Licensed Trades;
- based on its statutory declaration, the Applicant is not in arrears in respect of selected institutions in the country of its registration or in the country where its branch is registered, and in respect of providers of support from projects co-financed from the European Union budget;
- does not have any outstanding liabilities, according to its sworn declaration, based on its employees' wage and salary claims;
- shall confirm that within two years preceding the grant application it did not carry out a relocation² to the establishment where it intends to make the initial investment, for which aid is requested, and shall undertake not to relocate the establishment until the expiry of two years following the end of the initial investment for which the aid is requested.

SECTORAL DEFINITION

- The aid shall be provided to projects with outputs affecting the sectors defined by CZ-NACE sections C 10, 11, 13 – 33, E 38.32, J 58, 59.20, 60, M 71.2, 72, S 95.1 except for CZ-NACE 19.10 and 20.60 (see Annex b to this Call).
- The aid shall not be provided to projects with outputs directly affecting any of the sectors defined in Annex b (part A, B) to this Call.
 - production, processing and marketing of products listed in Annex b to the Call - Annex I to the Treaty on the Functioning of the EU,
 - agriculture, forestry, fishery, aquaculture (CZ-NACE A 01, A 02, A03)
 - Coal industry (CZ-NACE B 05, C 19.1)
 - Steel sectors (sectors defined in Annex b to this Call)
 - Industry producing synthetic fibres (sectors defined in Annex b to this Call),
 - Shipbuilding (CZ-NACE C 30.11)
 - Transport and the related infrastructure (CZ-NACE H 49, H 50, H 51)
 - Production and distribution of electricity and energy infrastructure (CZ-NACE D 35)

KEY CONDITIONS OF THE CALL

- The project must be implemented in the Czech Republic outside NUTS 2 Prague.
- The applicant must clearly demonstrate ownership or other rights to buildings and land plots, where the project will be implemented.

² 'Relocation' means a transfer of the same or similar activity or part thereof from an establishment in one contracting party to the EEA Agreement (initial establishment) to the establishment in which the aided investment takes place in another contracting party to the EEA Agreement (aided establishment). There is a transfer if the product or service in the initial and in the aided establishments serves at least partly the same purposes and meets the demands or needs of the same type of customers and jobs are lost in the same or similar activity in one of the initial establishments of the beneficiary in the EEA.

- The project must include all mandatory elements listed in the Call for submission.
- The project does not expect any aid for activities linked to the quantities exported (export subsidies), aid for the establishment and operation of a distribution network abroad or for other current expenditure linked to the export activity (customs duties, insurance, etc.) or any aid contingent upon the use of domestic goods instead of imported goods.
- The project did not start before the submission of the application
- The project must not violate EU horizontal policies and their basic principles, in particular equal opportunities for men and women, equal opportunities and non-discrimination and sustainable development
- The financial health of the applicant, expressed in a simplified economic assessment by the intermediate body, must not be lower than 5 points
- there will be an obligation for projects with total eligible expenditure over CZK 5 mil. including and concurrently with investment expenditure forming more than 50% of the total eligible expenditure to carry out a Financial Analysis of the Investment; and for projects with total eligible expenditure over CZK 100 mil. including and concurrently with investment expenditure forming more than 50% of the total eligible expenditure to carry out an economic analysis that will take into account socio-economic impacts of the project according to a pre-set code list; more information on the cost-benefit analysis is provided in the document CBA - Manual for Applicants.

ELIGIBLE EXPENDITURE

- design documentation including engineering activities
- structures
- technology
- software and data
- intellectual property rights
- certification of projects
- marketing innovation

FORM AND AMOUNT OF AID

The support shall be provided in the form of grant at the minimum amount of CZK 1 million and up to the maximum amount of CZK 75 million.

The support is to be provided as percentage, according to the Regional Map of State Aid Intensity for Czech Regions in 2014-2020, of the eligible expenditure of the project for:

- small enterprises at max. 45 % of documented eligible expenditure
- medium-sized enterprises at max. 35 % of documented eligible expenditure
- for large enterprises at max. 25% (not meeting the definition of an SME³) of documented eligible expenditure

³ Small and medium-sized enterprises (SMEs) are enterprises meeting the conditions set out in Annex 1 to Commission Regulation No 651/2014.