



## Programme: Application – Call IX

Are you a business entity or a research and knowledge-dissemination organisation and are you planning to carry out industrial research and experimental development? If so, the Application programme is intended for you.

### SCHEDULE

#### Receipt of aid applications:

- 8 June 2021 – 31 July 2021

### AIDED ACTIVITIES

- Implementation of industrial research and experimental development within the meaning of Article 25 of Commission Regulation (EU) No 651/2014 of 17 June 2014 (hereinafter “Commission Regulation No 651/2014”) declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty<sup>1</sup>.

### APPLICANT

- The applicant is always one business entity.
- The beneficiary may be business entities (legal entities), the partner with a financial contribution (the co-beneficiary) may be business entities (legal entities) and research organisations.
- Aid applications may be submitted by individual entities (enterprises) or consortia comprising several partners – enterprises and research and knowledge-dissemination organisations; in the case of consortia, one entity (business entity) from the consortium always acts as the applicant/beneficiary, while other entities act as project partners that have their own budgets and possibly different aid intensities; the same conditions and obligations of the programme/Call apply to the partners and to the main applicant.
- The applicant must keep accounting or tax records with special additional requirements, or keep separate accounting for the project.
- The applicant will prove its professional competence for implementing the project.

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<sup>1</sup> EU Official Journal, L 187, 26 June 2014, pp. 1–84.

- The applicant is authorised to conduct business activities that correspond to the aided economic activity to be implemented through the project.
- According to the applicant's sworn statement, the applicant has been registered as an income-tax payer in an EU member state for an uninterrupted period of no less than two closed tax periods preceding the date of the submission of the aid application; the applicant acknowledges that – as at the date of payment of the aid – it must have an establishment or organisational unit established in the Czech Republic. As at the first request for payment, the applicant must have an establishment registered in an extract from the Trade Register.
- According to the applicant's sworn statement, the applicant does not have any outstanding arrears towards selected institutions in the country where it has its registered office (or, if relevant, in the country where its branch offices have their registered office) or towards the providers of aid within projects that are co-financed by the European Union budget; deferment of payment of arrears or agreement on payment of arrears are deemed settled arrears.
- According to the applicant's sworn statement, the applicant does not have any arrears based on its employees' wage and salary claims.

## SECTORAL CLASSIFICATION

- Aid is provided to projects whose outputs will have an effect in the sectors defined in sections CZ-NACE C 10–11, 13–18, 20–33; D 35, E 38; F 41–43, J 58, 59, 61–63, M 69–72, 74, 75, N 78, S 95 (see Annex 2 to this Call).
- Aid is not provided to projects whose outputs will have a direct effect in any of the sectors defined in Annex 2 to this Call.
  - The production, processing and marketing of products which are specified in Annex 2 – Annex I to the Treaty on EU
  - Agriculture, forestry, fisheries, aquaculture (CZ-NACE A 01, A 02, A 03)

## MAIN CONDITIONS OF THE CALL

- The applicant/partner must clearly prove ownership or other rights to the real estate and land where the project will be implemented.
- The project must include all mandatory components specified in the Call for its submission.
- The project does not envisage aid to activities that are linked to the quantity exported (export subsidies), to the establishment and operation of a distribution network abroad, or to other current costs linked to export activity (customs duties, insurance, etc.); and aid contingent upon the use of domestic over imported goods.
- The project had not been launched prior to the date of submission of the aid application.
- The project's objectives must be in compliance with the objectives of the programme and of the Call.
- The project must not violate the EU horizontal policies and their basic principles including, without limitation, equal opportunities for men and women, equal opportunities and non-discrimination, and sustainable development.
- For projects whose total eligible expenditure is equal to / greater than CZK 5 million, the applicant's financial health – expressed through a simplified economic assessment by the Intermediate Body – must not be lower than 5 points, the applicant is responsible for the accurate completion of its own simplified evaluation and those of its partners.

## ELIGIBLE EXPENDITURE

- Personnel costs: salaries and insurance for researchers, technicians and other auxiliary technical personnel to the extent employed on the project (personnel costs for administrative and management staff (financial manager, project manager, coordinator, accountant, etc.) are only eligible within the Other overheads item)
- Costs of instruments, devices and equipment acquired from third parties in the form of depreciation of tangible fixed assets, to the extent and for the duration they are used for the project (the share of depreciation in the total eligible costs of the project must be reasonable and justified)
- Costs of contractual research
- Costs of R&D consulting services used exclusively for the project
- Additional overheads and other operating costs, including costs of materials, supplies and similar products incurred directly as a result of the project.

## FORM AND AMOUNT OF AID

The subsidy for a project is provided in an amount of no less than CZK 2 million and no more than

- **CZK 50 million** for projects implemented without effective collaboration
- **CZK 100 million** for projects implemented as part of effective collaboration, intervention code 063 or 065.
  - The maximum intensity of public aid is specified in the following table, which shows the key categories of aided activities and the size of the enterprise:

Category of activity	Small enterprise	Medium-sized enterprise	Large enterprise
Industrial research	70%	60%	50%
Experimental development	45%	35%	25%

- In the case of implementing a project that involves **effective collaboration between the members of a consortium**, the maximum intensity of public aid depending on the category of aided activities and the size of the enterprise is as follows:

Category of activity	Small enterprise	Medium-sized	Large enterprise
Industrial research	80%	75%	65%
Experimental development	60%	50%	40%

- **Within a regime not constituting public aid**, aid is provided in accordance with the Framework, i.e. for entities that meet the definition of a research organisation. Here, maximum aid intensity must not exceed **85%** of the total eligible expenditure of the research organisation, regardless of the size of the research organisation and the place of implementation.

Category of activity	Aid that does not constitute public aid
	Research and knowledge-dissemination organisation
Industrial research	85%
Experimental	85%

development	
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The participation of a research and knowledge-dissemination organisation in the project is not mandatory.  
**The maximum aid intensity** for the entire project is capped at **70%**.