



## PROGRAMME Cooperation - Clusters Call IV

The objective of the programme is to support the development of innovation networks – clusters as an instrument to increase the intensity of research, development and innovation-related activities conducted jointly by businesses and the research sector.

### SCHEDULE

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Receipt of applications for support:

- 14. 7. 2017 – 20. 10. 2017

### SUPPORTED ACTIVITIES

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- a) Collective research – the projects must meet the conditions stipulated in the definition of collective and precompetitive research. For each project proposal, the applicants is obligated to demonstrate at least 3 potential users of the project results (small and medium-sized enterprises), who will establish a user committee that will oversee the project implementation and may influence the direction of research with regard to the usability of results. The project must be carried out in cooperation with research and development centres in the form of contracting contractual research. The programme also supports implementation of collective research projects within the international network Cornet.
- b) Shared infrastructure – establishment/development and equipment of the cluster's centre with open access for the purposes of industrial research, development and innovation.
- c) Cluster internationalization – establishment of cooperation in the European Research Area, participation in cross-border networks of excellent clusters (with emphasis on future challenges and key technologies), coordinated access to third markets, etc.
- d) Development of cluster organisation – activities leading to expansion of the cluster and improved quality of its management, improvement of cooperation, knowledge sharing, marketing, networking, etc.

### APPLICANT

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The applicant/ beneficiary may be a business entity that:

- is a legal entity within the meaning of section 118 et seq. of Act No 89/2012 Coll., the Civil Code, as amended, if it is an association of entrepreneurs and research and knowledge-dissemination organisations or other institutions established for this purpose and if it aims to fulfil the objectives referred to in parts 2 and 12 of the Call. The beneficiary must stipulate in its statutes that one of its principal activities is support for innovation and increasing competitiveness, and the beneficiary's line of business defined in the statutes or the memorandum of association must include an establishment and operation of a cluster.

- The beneficiary must meet the definition of a small and medium-sized enterprise (SME), which is, for the purposes of this Call, understood as an entrepreneur meeting the conditions stipulated in Annex I to the European Commission Regulation No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.
- The beneficiary must consist of at least 15 independent members. As far as business entities are concerned, for the purposes of this Call an independent member is a business entity meeting the conditions of independence within the meaning of the SME definition (regardless of its size). Interconnected or partner enterprises within the cluster represent, for this purpose, a single independent member.
- The majority part of cluster members (at least 60% of all members) must consist of small and medium-sized enterprises meeting the conditions of the SME definition.
- At least one research and knowledge-dissemination organisation, i.e. an entity meeting the definition in Art.2(83) of Commission Regulation (EU) No 651/2014 of 17 June 2014, must be a member.
- The cluster must be open to new members and the rules for entry and exit of new members shall be included directly in the statuses or the memorandum of association, and it must be managed transparently. Each member has 1 vote when voting.
- is registered, according to the applicant's sworn declaration, as an income tax payer in any of the EU member states, and has been so continuously for at least one closed tax period preceding the date of filing the application for support; 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 support;
- is not, based on its sworn declaration, in arrears to selected institutions in the country of its registration, or in the country where its branch is registered, and to providers of support from projects co-financed from the EU budget;
- does not have any outstanding liabilities, according to its sworn declaration, based on its employees' wage and salary claims;

## **SECTORAL DEFINITION**

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- The aid shall be provided to projects with outputs affecting the sectors defined in CZ-NACE C10, 11, 13 – 33, E 38.32, J 58, 59, 60, 62, 63. Section CZ-NACE M 71.2, 72, 73.2, 74.1 S 95.1 may be supported as secondary outputs of the project.
- The aid shall not be provided to projects with outputs affecting any of the below stated sectors:
  - production, processing and marketing of products listed in Annex I to the Treaty,
  - agriculture, forestry, fishing, aquaculture in accordance with Council Regulation (EC) No 1379/2013.

## **KEY CONDITIONS OF THE CALL**

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- The project must be implemented in the Czech Republic outside the territory of the City of Prague.

- The applicant must clearly demonstrate ownership or other rights to buildings and land plots, where the project will be implemented.
- 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 has not started before the date of filing the application.
- The project must not violate EU horizontal policies and their basic principles such as equal opportunities for men and women, non-discrimination and sustainable development.
- The objectives of the project must comply with the objectives of the aid programme and of the Call.
- Compliance of the project with the National Research and Innovation Strategy for Smart Specialisation of the Czech Republic will be verified as part of the project appraisal in terms of meeting the selection criteria defined in this Call.
- Each applicant (each Id. No.) is entitled to submit max. four projects in this Call (i.e. four active applications in which the applicant is the beneficiary), and only 1 project per each supported activity. That limitation does not apply to research and development projects that are submitted through the international network of collective research CORNET.
- A project submitted under activity (a) may include in one grant application 3 R&D sub-projects for a cluster organisation classified as a developed cluster. An applicant that was classified as an excellent cluster based on an evaluation may submit up to 5 R&D sub-projects in one grant application. Collective research projects expect achievement of at least one of the following results: functional sample, scale-up operation, verified technology, software, utility or industrial design.
- An applicant classified, based on an evaluation of the cluster organisation's performance, as a developing cluster may submit projects only under supported activities (c) and (d) and max. 1 project in the Cornet network under activity (a).
- If a valid legal act has been issued for the applicant in Call III Cooperation - Clusters (a Grant Decision) under supported activity (c) and/or (d) of the Call, such applicant cannot receive further support for those activities under this Call.
- The cluster's projects must be approved by a majority of all members.
- A research and development centre as the investigator or co-investigator of the project must not be economically or personally linked with the beneficiary.

## **ELIGIBLE EXPENDITURE**

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- Collective research - wages and contributions, externally purchased services in research and development (contractual research, consultancy services), material, additional overhead costs (15% of the budget item Wages and Contributions). Expenditure on this activity is eligible only under the condition that the project or its supported part falls fully under the category of industrial research or experimental development.

- Shared infrastructure - purchase of buildings, technical appreciation of buildings, machinery and equipment including hardware and networks, software and data, intellectual property rights, rent.
- Internationalisation of the cluster - Wages and contributions, travel costs, services of consultants, experts, studies, marketing and promotion, seminars, conferences.
- Cluster organisation development - Wages and contributions, travel costs, marketing and promotion, seminars, conferences, rent, cluster's facility management, material.

## **THE FORM AND AMOUNT OF AID**

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- The minimum absolute grant per one project is CZK 500,000.
- The maximum grant for one project:
  - Collective research: CZK 40,000,000 for excellent clusters/ max. CZK 15,000,000 for 1 sub-project; CZK 20,000,000 for developed clusters/ max. CZK 10,000,000 for 1 sub-project.
  - Shared infrastructure: CZK 15,000,000 for excellent clusters / CZK 10,000,000 for developed clusters.
  - Internationalisation of the cluster and Cluster organisation development: CZK 5,000,000 for excellent clusters / CZK 4,000,000 for developed clusters / CZK 3,000,000 for developing clusters.
- Aid intensity:
  - Collective research: 45% of eligible expenditure for small enterprises, 35% for medium-sized enterprises for the experimental development category; 70% of eligible expenditure for small enterprises and 60% of eligible expenditure for medium-sized enterprises for the industrial research category.
  - Shared infrastructure, Internationalisation of the cluster, Cluster organisation development - 50% of eligible expenditure