



## Knowledge transfer partnership PROGRAMME – Call II

The programme aims to increase the interaction between businesses and research and knowledge dissemination organisations and greater openness of universities towards cooperation with the business community.

### TIMETABLE

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Receipt of aid applications:

- 7. 11. 2016 – 7. 2. 2017

### ACTIVITIES SUPPORTED

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The supported activity is the formation of partnerships between small and medium-sized enterprises and research and knowledge diffusion organisations (hereinafter referred to as Knowledge Organisations) in order to transfer knowledge, related technology and skills, which companies cannot access. Knowledge transfer takes place with the participation of the holder of a Masters or Doctoral post-graduate degree (hereinafter referred to as the Knowledge Transfer Assistant) at the business premises and under the supervision of a selected centre of expertise.

The project must focus on at least one of the following activities and must be of strategic importance for the company's further development:

- a) improving production processes,
- b) development/innovation of new products and services or innovation processes in the development and marketing of new products and services,
- c) improving business processes, including product certification processes.

### APPLICANT

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- The applicant, or beneficiary, may be a legal entity, which is a small or medium-sized enterprise, or a research and knowledge dissemination organisation (i.e. entities that meet the definition of a research and knowledge dissemination organisation pursuant to sub-paragraph 1.3 ee) of Commission Communication Framework for State aid for research and development and innovation (2014/C 198/01). A research and knowledge dissemination organisation must also comply with the definition of a knowledge organisation i.e. a public university or non-university type institution, a branch of the Academy of Sciences of the CR, public research institutions.

- For the purposes of this Call, small and medium-sized enterprises (SMEs) are understood to be an entrepreneur meeting the conditions set forth in Recommendation 2003/361/EC.
- The business entity which is a small or medium-sized enterprise always appears as the applicant and the Grant Award Decision is also issued to this applicant. A research and knowledge dissemination organisation is an aid beneficiary which receives a grant mediated through a business entity on the basis of conditions contained in a partnership agreement concluded between a business entity and a research and knowledge dissemination organisation. For this reason, the conditions of the Call set forth in sub-paragraphs 4.1 (d), (e), (f), (g) and sub-paragraph 4.2 do not apply to research and knowledge dissemination organisations.
- The applicant must declare in an affidavit that it has been continuously registered as an income tax payer in one of the EU Member States for at least the period of two tax years preceding the date on which the aid application was submitted; the applicant should also realise that it must have established business premises or a branch in the CR at the time the aid is disbursed.
- It must declare in an affidavit that it has no debt towards selected institutions in the country in which it is based, or in the country its branches are based or towards aid providers from projects co-financed from the EU budget.
- It must declare in an affidavit that it is not in arrears for wages for its employees.
- It may not have any outstanding obligations arising from a recovery order drawn up on the basis of a Commission Decision, declaring the aid as unlawful and incompatible with the internal market.

## **SECTORAL RESTRICTION**

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- Projects whose outputs relate to sectors classified under the following CZ-NACE codes are eligible for support:
  - C 10, 11, 13 – 33; E 38.32; J 62, 63.1 Secondary project outputs can be supported if they are classified under CZ-NACE sections M 71.2, 72, 73.2, 74.1 S 95.1.
- Projects whose outputs are classified under any of the following sectors are not eligible for support:
 

the production, processing and marketing of products listed in Annex I to the Treaty on the EC, agriculture, forestry, fishery and aquaculture, pursuant to Council Regulation (EC) No. 1379/2013.

## **MAIN CONDITIONS OF THE CALL**

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- The project must be implemented on the territory of the CR, outside the Capital City of Prague, the location of the business premises in which the project is implemented is decisive.
- The applicant must clearly demonstrate ownership or other rights to the property and land where the project is to be implemented.
- The project does not envisage aid for activities associated with export volumes (export subsidies) support for the establishment and operation of a distribution network abroad, or for other standard costs related to export activities (customs, insurance, etc.); or aid contingent on the use of domestic goods in preference to imported goods.
- The project has not started before the date of submission of the aid application.

- The project may not violate EU horizontal policies nor their fundamental principles, such as gender equality and sustainable development.
- The project's compliance with the National Research and Innovation Smart Specialisation Strategy of the CR will be verified during project evaluation in terms of meeting the relevant selection criteria for this Call.
- All profits from knowledge transfer carried out by a research and knowledge dissemination organisation must be reinvested in the primary activities of this organisation. Profit is considered to include income from intellectual property rights, provided these arise as a result of the project activities. Arrangements covering ownership and income are provided for in detail in the Partnership Agreement (Annex no. 6).
- Each applicant (1 Co.Reg.) is permitted to submit a maximum of 1 project under this Call (i.e. 1 active aid application in which it appears as the beneficiary). A knowledge organisation may join a number of partnerships in its own capacity.
- A so-called knowledge transfer advisor may be assigned to the project by the OP EIC MA, who may attend official project meetings, provide support to both partners in the project implementation and give the aid provider a continuous and independent evaluation of the progress made in the implementation and fulfilment of the project plan.

## **ELIGIBLE EXPENDITURE**

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- a) For an SME: hardware and networks, machinery and equipment, software and data, wages and insurance, travel.
- b) For a knowledge organisation: wages and insurance, travel, seminars, workshops, services of experts, access to information, databases,
- c) A knowledge organisation may also submit indirect (overhead) costs at a flat rate of up to 15% of the Wages and Insurance budget item (does not include wages and insurance for SMEs). Eligible expenses for indirect costs are: personal expenses of administrative employees, costs for the use of university facilities, accounting, telephone charges, mains supplies, consumables, costs of organising working meetings, mandatory publicity.

## **FORM AND AMOUNT OF AID**

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- The grant provided for a project ranges from a minimum of CZK 500,000 to a maximum of CZK 3.5 million.
- Aid will only be provided under the de minimis regime for SMEs.
- Aid will be provided to a maximum rate of 70% for all types of applicants.
- Research and knowledge dissemination organisations may receive a grant of up to 70% for specific activities, provided the conditions laid down in sub-paragraph 9.2.6 of this Call is met and the knowledge transfer activity falls under sub-paragraph 19 (b) of the Framework for State Aid for Research, Development and Innovation.
- An SME must provide its partner organisation with a financial contribution of at least 30% of the partner organisation's eligible expenditure relating to the project, either from its own resources or through external financing, in a form that does not involve any state aid.