



# PROPERTY PROGRAMME – Call II

Are you a small or medium-sized company that has decided to modernise your business facilities? Do you plan to renovate obsolete infrastructure and convert a brownfield site into a modern business facility? If so, the Property Programme has been designed for you.

#### **TIMETABLE**

#### Receipt of aid applications:

21. 11. 2016 - 21. 2. 2017

# **ACTIVITIES SUPPORTED**

- 1) Building renovation project —a project which, when implemented, will involve the renovation of a technically (not exclusively in terms of layout) unsuitable building or a brownfield site to a business facility for activities included in the list of supported CZ-NACE codes (Annex No. 1).
- 2) A project to revitalise an area for business a project which, when implemented, will give rise to sites for investment within the framework of the construction of new sites for the company's own business or will improve the quality or utility of existing areas for the operation of activities included in the list of supported CZ-NACE codes (Annex No. 1).

# **APPLICANT**

The applicant is a small or medium-sized enterprise, which:

- must, as at the date of submission of the application, be a small or medium-sized enterprise pursuant to Annex No. 1 to Commission Regulation (EU) No. 651/2014 of 17 June 1014, declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the EC<sub>3</sub> (hereinafter referred to as "Commission Regulation (EU) No. 651/2014")
- is licensed to operate a business similar to the supported economic activity for which the project is to be implemented
- has declared in an affidavit that it has been continuously registered as an income tax payer in
  one of the EU Member States for a period of at least two full tax years preceding the date of
  submission of the preliminary aid application; the applicant should also realise that it must have
  established business premises or a branch in the CR at the time the aid is paid;

- has declared 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.
- has declared in an affidavit that it is not in arrears for wages for its employees
- does 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
- has, as at the date the aid application is submitted, operated for at least two consecutive completed accounting periods.

# SECTORAL RESTRICTION

- Projects whose outputs are listed in selected sectors defined by CZ-NACE codes are eligible for support (see Annex no. 1).
- Projects whose outputs are classified under any of the following sectors are not eligible for support:
- o production, processing and marketing of products listed in Annex No. 1 Part B,
- agriculture, forestry, fishery and aquaculture (CZ-NACE A 01, A 02, A 03),
- o the steel sector (sector defined in Annex No. 1),
- the coal industry,
- o industrial production of synthetic fibres (sector defined in Annex No. 1),
- shipbuilding (CZ-NACE C 30.11),
- o transport and related infrastructure,
- o production and distribution of energy and energy infrastructure.

# MAIN CONDITIONS OF THE CALL

- The project must be implemented on the territory of the CR, outside the Capital City of Prague. The aid 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 may not violate EU horizontal policies not their fundamental principles, in particular:
- Gender equality (complying with EU and CR regulations in the area of non-discrimination, particularly the Labour Code), sustainable development (complying with EU and CR legislation in the area of environmental protection).
- All property under the project submitted must be registered in the National Database of Brownfields, see <a href="http://brownfieldy-dotace.czechinvest.org">http://brownfieldy-dotace.czechinvest.org</a>
- Each applicant (1 Co.Reg.) is entitled to submit a maximum of 1 project under this Call

#### **ELIGIBLE EXPENDITURE**

- Tangible assets, particularly improvements to land, renovation of buildings, modernisation, modification, construction or demolition of buildings, utilities, access roads to buildings, hardware and networks, provided they are directly needed for the safe operation of a building, technical equipment for buildings. In terms of the valuation of construction work, the provider will only consider work respecting the price rates given for construction work listed in the ÚRS price catalogue for the year in which the aid application was submitted as eligible costs. In this respect, the beneficiary is required to attach a detailed itemised budget for the planned construction work for project implementation to the aid application. If the cost for the construction work is higher than indicated by the guidelines for the valuation of construction work (ÚRS/RTS), this expenditure will be reduced to a value that corresponds to the guidelines.
- Additional costs relating to the construction works, which will be included in the fixed assets (in
  particular the services of experts, studies, planning and engineering work, which are directly
  related to project implementation). The provider will only consider additional costs relating to
  the construction works to be eligible to the level of standard market prices.
- In accordance with Commission Regulation (EU) No. 651/2014 (GBER), costs relating to feasibility studies or project documentation are only eligible for aid if they are prepared after the submission of the aid application.

# **FORM AND AMOUNT OF AID**

- The grant provided for a project ranges from a minimum of CZK 1 million to a maximum of CZK 50 million.
- The maximum amount of aid represents 45% of eligible expenditure for a small enterprise and 35% of eligible expenditure for a medium-sized enterprise.