



Programme Proof of Concept – Call III

The purpose of and Proof of Concept programme and call is to support activities that will help to ensure the development of the technology transfer and knowledge among research organisations and companies that may apply the results of research in practice.

SCHEDULE

Receipt of applications for support:

- 29. 11. 2019 – 20. 03. 2020

SUPPORTED ACTIVITIES

Support will be granted to such projects of enterprises, which are aimed at verifying the application potential of new R&D results of research and knowledge dissemination organisations by research organisations before their possible employment in practice, whereas the transfer of technologies to the enterprise might already be completed, i.e. the enterprise has already secured its industrial property rights, or is in the preparation stage

- Supported Activity 3.1a (hereinafter only “*Activity A*”): support will be provided to activities associated with verifying the technical feasibility and commercial potential of research and development, in order to market a new product/ service. The project output will be a feasibility study that will serve as a source document for implementing another possible phase of the project. A feasibility study means assessment and analysis of the project's potential, which are to support the decision-making process by identifying objectively and rationally the strengths and weaknesses of the project, its opportunities and threats, and identifies the resources necessary for its implementation, as well as its prospects of success.
- Supported Activity 3.1b (hereinafter only “*Activity B*”): activities aimed at finalising the research and development to the final stage and preparing its commercialisation. To implement the project at this stage, the applicant must demonstrate in the business plan an assessment of the technical feasibility of the project, including its commercial potential

APPLICANT

- The applicant/ beneficiary may be a business entity; a small and medium-sized enterprise according to the definition in Annex I to Commission Regulation (EU) No 651/2014, which pursuant to the programme conditions will keep accounts or tax records expanded with special requirements or keep separate accounts for the project.

- is authorised to conduct business corresponding to the supported economic activity which is to be carried out through the project; 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 two closed tax periods preceding the date of filing the application for support; The applicant must 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; It does not have any outstanding liabilities, according to its sworn declaration, based on its employees' wage and salary claims.
- It fulfils the obligations under Act No 563/1991, on accounting, as amended, especially the obligation to publish the financial statements in the relevant register within the meaning of Act No 304/2013, on public registers of legal and natural persons.
- Its beneficial owners pursuant to Section 4(4) of Act No 253/2008, on certain measures against money laundering and the financing of terrorism are registered in the Register of Beneficial Owners pursuant to Section 118b(1) of Act No 304/2013, on public registers of legal and natural persons.
- Meets other conditions listed in Chapter 4 of the Call.

SECTORAL DEFINITION

- the aid shall support projects with outputs affecting the sectors defined in CZ-NACE sections 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 the Call)
- 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 EC Treaty,
 - agriculture, forestry, fishing and aquaculture (CZ-NACE A 01, A 02, A 03)

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.
- 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 the EU horizontal policies and their basic principles such as equal opportunities (equality of men and women, removing discrimination based on sex, race, ethnic origin, religious belief, world view, disability, age or sexual orientation), equal opportunities and non-discrimination (e.g. due to social exclusion or health environment) and sustainable development (observing the EU and national regulations concerning environmental protection).

- the financial soundness of the applicant, expressed in a simplified economic assessment of the intermediate body, shall not be less than 5 points for applicants with a business period longer than 2 closed accounting periods; the financial soundness of the applicant, as expressed by the simplified economic evaluation of the intermediate body, shall not be less than 4 points for applicants with a shorter period of business than 2 closed accounting periods (but at least 1 closed accounting period);
- Project Proof of Concept in supported *Activity A* may not follow the R&D results in which the applicant (SME) participated as a co-beneficiary in a project financed entirely or partially from public sources.

ELIGIBLE EXPENDITURE

- *Activity A*:
 - costs directly related to creating the feasibility study:
 - personnel costs: wages and insurance premiums for researchers, technicians and other support personnel at the extent necessary for the project;
 - costs of tools, devices and equipment in the form of depreciation of long-term tangible and intangible movable property, to the extent and during the time they are used for the purposes of the project;;
 - costs of consultancy and external expert services used exclusively for the project – non-investment costs of licences purchased or acquired from third parties for the project;
 - additional overhead and other operating costs incurred as an immediate consequence of the project;
 - costs of material;
 - costs of posting highly qualified staff from the research and knowledge dissemination organisation, who work at the beneficiary organisation on research, development and innovation in a newly established position but do not replace other workers;;
 - costs of obtaining and validating patents and other intangible assets;
 - costs of innovation advisory and support services.
- *Activity B*:
 - If the project or its supported part fully falls into the category of experimental development in accordance with Article 25 of Commission Regulation (EU) No 651/2014
 - personnel costs: wages and insurance premiums for development staff, technicians and other support personnel at the extent necessary for the project;
 - costs of tools, devices and equipment in the form of depreciation of long-term tangible and intangible movable property, to the extent and during the time they are used for the purposes of the project;;
 - costs of consultancy and external expert services used exclusively for the project; non-investment costs of licences purchased or acquired from third parties under common market conditions for the project;
 - additional overhead and other operating costs incurred as an immediate consequence of the project;
 - costs of material;
 - costs of posting highly qualified staff from the research and knowledge dissemination organisation, who work at the beneficiary organisation on research, development and innovation in a newly established position but do not replace other workers;;
 - costs of obtaining and validating patents and other intangible assets;
 - costs of innovation advisory and support services.

FORM AND AMOUNT OF AID

- The minimum amount provided for a project is CZK 300,000 thousand and maximum is CZK 5 million for *Activity A* and maximum is CZK 10 million for *Activity B*.

- For *Activity A*, the maximum rate of public support is 60% of the total eligible expenditure of the project as defined in point 5.2. a) of the Call for medium-sized enterprises, and 70% for small enterprises, and the maximum rate of public support is 50% of the total eligible project expenditure as defined in point 5.2. b) and c) of the Call.
- For *Activity B*, the maximum rate of public support is 35% of the total eligible expenditure of the project as defined in point 5.2. a) of the Call for medium-sized enterprises, and 45% for small enterprises, and the maximum rate of public support is 50% of the total eligible project expenditure as defined in point 5.2) e), f) a g) of the Call in accordance with Art. 28 of Commission Regulation (EU) No 651/2014.