

# Programme: Potential - Call VIII

Have you decided to introduce or expand your own research and development capacities and become a part of the group of business entities conducting their own research and development? If so, the Potential programme is intended for you.

# **SCHEDULE**

## Receipt of aid applications:

• 14 June 2021 – 26 August 2021

### **AIDED ACTIVITIES**

• Establishment or expansion of industrial research, development and innovation centres consisting in the acquisition machinery and other equipment necessary to carry out the activities of the centre.

#### **APPLICANT**

The applicant/beneficiary is a business entity that:

- is a small or medium-sized enterprise as defined in Annex I to Commission Regulation (EU) No 651/2014 or a large enterprise, depending on the conditions of the programme it will be obliged to keep accounting or tax records with special additional requirements, or keep separate accounting for the project.
- is a large enterprise, provided that the specific intervention codes have been met, for projects with a significant positive impact on the environment (intervention code 065), i.e. those focusing on a low-carbon economy and resilience to climate change. Alternatively, also for direct collaboration on a specific research and development project with a SME (intervention code 063).
- is authorised to conduct business activities in the Czech Republic that correspond to the aided economic activity to be implemented through the project.
- according to its sworn statement, 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 branch office established in the Czech Republic. As at the first request for payment, the applicant/beneficiary must have an establishment registered in an extract from the Trade Register.
- according to its sworn statement, 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 EU budget.
  Deferment of payment of arrears or agreement on payment of arrears are deemed settled arrears.

• according to its sworn statement, 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 CZ-NACE sections (see Annex 2 to the Call Aided CZ-NACE categories).
- Aid is not provided to projects whose outputs will have an effect in any of the sectors listed in Annex 2 to the Call excluded areas of aid.
  - The production, processing and marketing of products which are specified in 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 must have acquired ownership or other rights to the real estate and land where the project will be implemented, and must document these rights upon request.
- 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's objectives must be in compliance with the objectives of the programme and the Call.
- For projects with total eligible expenditure in excess of CZK 5 million (inclusive), there will be an obligation to perform a Financial Analysis of the Investment. For projects with total eligible expenditure in excess of CZK 100 million (inclusive) and, at the same time, with investment expenditure accounting for more than 50% of the total eligible expenditure, there will be an obligation to carry out an economic analysis that will take into account the socio-economic impacts of the project according to a pre-set code list. For more information on the cost-benefit analysis see the document entitled CBA Manual for Applicants/Beneficiaries.
- The project had not been launched prior to the date of submission of the aid application.
- 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.
- The applicant's financial health, expressed through a simplified economic assessment by the Intermediate Body, must not be lower than 5 points.

# **ELIGIBLE EXPENDITURE**

- Costs of investments in long-lived tangible and intangible assets
- Costs of investments in buildings (newly-constructed buildings, and structural modifications)

#### **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 100 million (inclusive).
- The subsidy will be provided in an amount of 50% of the total eligible expenditure, regardless of the size of the enterprise and the place of implementation.

