







# Renewable energy sources - biomass - Call I

The aim of the Call is to promote an efficient and thrifty use of RES, increasing their share and thus reducing the consumption of primary energy sources, as well as to support business entities in the use of RES.

# **TIMETABLE**

### Receipt of grant applications:

• 09.01.2025 - 09.01.2026

# **SUPPORTED ACTIVITIES**

- Construction of biomass heating sources and the transfer of heat by heat distribution facilities to the point of consumption.
- Construction of combined heat and power sources fuelled by biomass and the transfer of heat by heat distribution facilities to the point of consumption:
  - Heating plants (traditional with steam or ORC electricity generation);
  - Gasification heating plants (with production of electricity from subsequent syngas/synthesis gas on a gas turbine/piston engine), and possibly in combination with a steam turbine and the use of useful heat;
  - Biogas cogeneration the support applies only to newly installed CHP facilities put into operation in an existing electricity production plant (biogas fuelled CHP), i.e. it is a newly added output of the electricity production plant.
- Transfer of heat from existing power production plants biogas stations using biogas to produce electricity and heat by means of facilities distributing the heat to the point of consumption.

#### THE APPLICANT

• is a natural person or legal entity pursuing business, that has been assigned a Czech ID number and is authorized to do business<sup>1</sup>;

<sup>&</sup>lt;sup>1</sup> This is a trade license or license to do business according to other legal regulations (unless otherwise stated in the Rules for Applicants and Beneficiaries of OP TAC - specific part).

- is authorized to conduct business corresponding to the supported economic activity<sup>2</sup>, in which the project is implemented, no later than on the date of submission of a request for payment. No later than on that date, the applicant shall submit a license for the production of electricity, which is granted by the Energy Regulatory Office (ERÚ) in accordance with Section 5 of Act No 458/2000 Coll., on the conditions of conducting business and on the performance of state administration in the energy sector and amending certain acts (the Energy Act) as amended, and shall enter CZ NACE 35.11 Production of electricity, or (from 01.01.2025) CZ NACE 35.12 Production of electricity from renewable sources and/or CZ NACE 35.30.1 Production of heat, and/or CZ NACE 35.30.2 Distribution of heat.
- If it is a legal entity, it provided data to the extent required in Section 14, paragraph 3, letter e) of Act No 218/2000 Coll. on budgetary rules and amending certain related acts (the Budgetary Rules)<sup>3</sup>:
  - in IS KP21+, it entered information on the identification of persons acting on behalf of the applicant, indicating whether they act as its statutory body or whether these persons act on the basis of a granted power of attorney,
  - has registered the real owners of the legal entity in accordance with Act No 37/2021 Coll., on the registration of real owners (fulfilment of the condition will be verified by IB);
  - in IS KP21+, it entered information on the identification of the entities in which it has a share and the amount of this share.
- According to its sworn statement, it is not in liquidation.
- According to its sworn statement, it has been registered as an income tax payer in the Czech Republic, continuously for at least two tax periods<sup>4</sup> preceding the date of submission of the grant application<sup>5</sup>.

# **TERRITORIAL ELIGIBILITY**

- Target territory: The territory of the Czech Republic, except NUTS 2 Prague
- The territorial eligibility is not assessed based on the registered office of the applicant (beneficiary) but based on the actual place of project implementation, i.e. the territory where the physical implementation takes place and the project expenses are incurred.

# MAIN CONDITIONS OF THE CALL

- The project must not violate horizontal EU policies and their basic principles. In particular, the project must comply:
  - with principles of non-discrimination (primarily non-discrimination based on race, gender, religion, ethnic origin, disability, age or sexual orientation);
  - with the principles of sustainable development;
  - with the Charter of Fundamental Rights of the European Union.
- The project objectives shall be in line with the objectives of the operational programme and the Call.

<sup>&</sup>lt;sup>5</sup> Not relevant for Special Purpose Vehicles (SPV). SPV is defined in Annex 2 to the Rules for Applicants and Beneficiaries under OP TAC - specific part, Chapter 3.1.



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<sup>&</sup>lt;sup>2</sup> The CZ-NACE in which the project is implemented, indicated by the applicant in the application in ISKP21+, corresponds to the activity recorded in the public registers. The entered CZ-NACE must not be CZ-NACE 03 Fishing and aquaculture.

<sup>&</sup>lt;sup>3</sup> Also referred to as the Budgetary Rules Act.

<sup>&</sup>lt;sup>4</sup> This is a tax period according to Section 16b for natural persons / Section 21a for legal entities of Act No 586/1992 Coll., on income taxes.

- For projects the total eligible expenditure of which is equal to/higher than CZK 5 million, the score obtained in the simplified economic evaluation, which expresses the financial health of the applicant, must not be lower than 5 points<sup>6</sup>;
- The project does not significantly harm the environmental objectives within the meaning of Article 17 of Regulation (EU) 2020/852 of the European Parliament and of the Council.
- The project is climate-proofed as defined in Article 2(42) of Regulation (EU) 2021/1060 of the European Parliament and of the Council.
- Investments in infrastructure meet the requirement for climate resilience in the sense of Article 2(42) of Regulation (EU) 2021/1060 of the European Parliament and of the Council.
- Grant applications of applicants who have submitted a similar active project (in any PP status up to PP37 including) under OP TAC will not be approved in the phase of appraisal of formal requirements and eligibility, unless the applicant has withdrawn from the project. A similar project is a project that has the same place of implementation (up to the level of municipality), similar activities and a similar budget size and structure. The aim of the above-mentioned measure is to prevent the blocking of budget funds by the fact that the still unfinished projects are submitted again in an identical wording, or slightly modified.

#### **ELIGIBLE EXPENDITURE**

- Tangible fixed assets
- Intangible fixed assets (if necessary for the proper operation of the tangible fixed assets).
- Engineering activity
- Design documentation.

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

- The total eligible expenditure (TEE) of a project must be at least CZK 8 million<sup>7</sup> and at most CZK 300 million.
- Projects with TEE lower than the minimum are ineligible and will not be accepted into the appraisal process. The maximum TEE level is unsurpassable.

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<sup>8</sup> Funding sources as per Article 41 GBER (% shares of documented eligible costs)		
Eligible expenditure directly related to the production of energy from RES		
Type of entity	EU share	
Small enterprise	65 %	
Medium-sized enterprise	55 %	

<sup>&</sup>lt;sup>6</sup> Not relevant for Special Purpose Vehicles (SPV). SPV is defined in Annex 2 to the Rules for Applicants and Beneficiaries under OP TAC - specific part, Chapter 3.1.

<sup>&</sup>lt;sup>8</sup> The chapter shows the EU share. The remaining part of the funding will be covered from the beneficiary's resources.



<sup>&</sup>lt;sup>7</sup> Valid at the stage of approval by the selection committee.

Large enterprise	45%	
Other eligible expenditure not related to the production of energy from RES (heat distribution facility)		
Type of entity	EU share	
Small enterprise	65 %	
Medium-sized enterprise	55 %	
Large enterprise	45 %	

In the case of transferring heat from biomass heating sources or from biogas stations that have a license for the production and distribution of thermal energy granted by the Energy Regulatory Office (ERÚ) pursuant to Section 5 of Act No 458/2000 Coll. on the business conditions and on the performance of state administration in energy sectors and amending some acts (the Energy Act) as amended, where this type of support applies only to measures related to the construction of heat distribution facilities in district heating and cooling systems, if they are or will be 9part of "efficient district heating and cooling" systems (as per Article 2(41) of Directive 2012/27/EU), the enterprises can receive support, according to Article 46 GBER, as follows:

Funding sources as per Article 41 GBER (% shares of documented eligible costs)		
Eligible expenditure directly related to the production of energy from RES		
Type of entity	EU share	
Small enterprise	65 %	
Medium-sized enterprise	55 %	
Large enterprise	45 %	

<sup>&</sup>lt;sup>9</sup> If the system is not yet part of the "efficient district heating and cooling" system as a result of the supported measures, the further modernization needed to achieve the "efficient district heating and cooling" system must be started within three years of the start of the works for which the aid was granted and must be completed no later than three years after the end of the works for which the aid was granted. The Ministry of Industry and Trade will check the fulfilment of this condition in cooperation with the Energy Regulatory Office. "Start of works" means the earlier of either the start of construction works relating to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered start of works. For take-overs, "start of works" means the moment of acquiring the assets directly linked to the acquired establishment. "Completion of works" means the final handover of the construction work being part of the supported measures by the contractor to the applicant (acceptance report), i.e. the works have been completed and the facilities are serviceable.





