

## ICT and Business Support Services Programme - Summary

### Call III

The ICT and Business Support Services programme is focused on the development of the information and knowledge society through support for the supply of the new ICT products and services.

The programme's objective is to promote development and competitiveness of strategic sectors in the Czech Republic, increase its competitiveness on the international market and support increased availability of ICT solutions, new software products and services, shared services centres and high-tech repair centres.

### Schedule

- Acceptance of Registration Applications: 15. 4. 2010 – 15. 10. 2010
- Acceptance of Full Applications: 15. 5. 2010 – 1. 2. 2011

### Supported activities

- Creation and development of **IS/ICT solutions and applications**.
- Establishment and development of **shared services centres** *with substantial international focus*.
- Establishment and development of **high-tech repair centres** for products and technologies.

### Applicant

- Newly established or expanding entities:
  - **Legal entity** (specific supported forms are defined in the Call) with its seat in the Czech Republic and operating in accordance with Act No. 513/1991 Coll., the Commercial Code or
  - **Natural person** with his/her place of business in the Czech Republic entered in the Commercial Register in accordance with Act No. 513/1991 Coll., the Commercial Code.
- Has to be entitled to do the business corresponding to the submitted project (chosen supported activity).

## Basic provisions of the call

- **Minimum amount of investment** in long term assets amounts to CZK 0,5/1/3 million (depending on the size of the enterprise – small/medium/large).
- **Creation of new jobs** (positions directly related to the project, number of positions depends on the type of activity and the size of the enterprise, see the table below).

Supported activities	Size of the enterprise, number of minimum new job positions required		
	Small	Medium	Large
Creation and development of IS/ICT solutions and applications	3	5	10
High-tech Repair Centres for Products and Technologies	5	15	25
Shared Services Centres	10	20	40

- Beneficiary has to **retain supported jobs and assets** for a period of at least 5 year (3 years in case of SME).
- The project must be **implemented** in the Czech Republic outside the territory of the Capital City of Prague.
- **Financial health of the applicant** expressed by the rating evaluation made by the mediating entity (CzechInvest) can not be lower than C+.
  - If the applicant is a **newly created entity**, the rating evaluation is processed for the entity(ies) having a controlling interest in the applicant.
    - If the mother company **is not registered in the Czech Republic**, the applicant is obliged to hand over the following documents on the date of submission the Registration Application:
      1. Rating of the mother company performed on the evaluation scale according to Moody's or Standard & Poor's,
      2. Auditor's report for the last two terminated accounting period (including Balance Sheets and Profit and Loss Statements).
- **Activities to which support shall not be granted:**
  - Establishment and development of shared services centres **without substantial international focus**
  - Establishment and development of IS/ICT design and implementation centres
  - Establishment and development of customer support centres
  - Collocation centre services (server housing, telehousing, web-hosting)
  - Creation of web pages (web design)
  - Server rental
  - Telecommunication services
  - Development of specific software

## Eligible costs

- Must be expended in accordance with the goals of the programme and must directly relate to the implementation of the project.
- Must be expended no sooner than on the date of eligibility of the project<sup>1</sup>.

## Types of eligible costs

OPTION I	OPTION II
<p><b>Wages, Insurance</b></p> <ul style="list-style-type: none"> <li>– gross wages of employees on newly created positions</li> <li>– mandatory social and health security insurance payments paid by employer</li> </ul>	<p><b>Long term tangible assets and technical appreciation</b></p> <ul style="list-style-type: none"> <li>– purchase of buildings (max. 50% of total investment eligible costs)</li> <li>– purchase of land (max. 10%)</li> <li>– hardware, networks and other ICT components</li> </ul> <p><b>Long term intangible assets</b></p> <ul style="list-style-type: none"> <li>– software, licences, know-how (max. 50% for large enterprise)</li> </ul>
<p><b>Selected operating costs (beyond options I and II)</b></p> <ul style="list-style-type: none"> <li>– real estate rental</li> <li>– services of experts and consultants, expert studies (eligible cost max. CZK 3 mil., maximum aid intensity 50%, for small and medium enterprises only)</li> <li>– access to information and databases - de minimis aid, for small and medium enterprises only</li> </ul>	

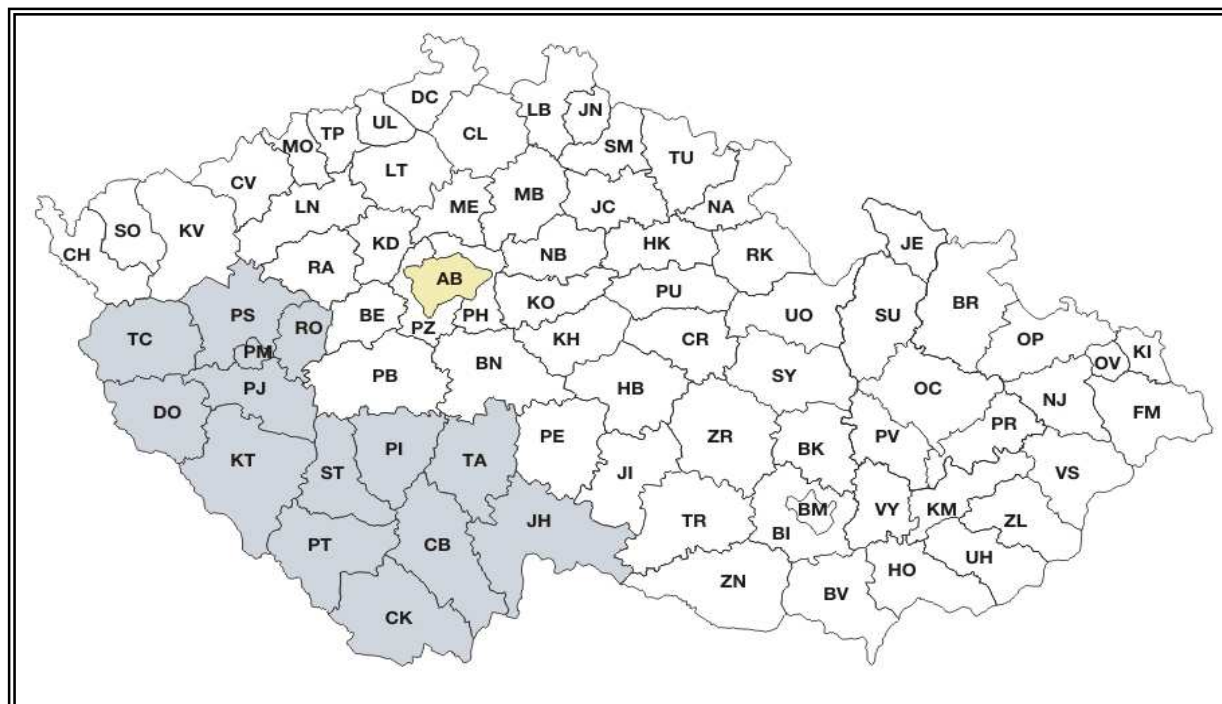
## Form and amount of support

- Subsidy for all eligible costs is provided in maximum amount set by the Regional Map of State Aid Intensity for the period 1.1.2011 – 31.12.2013 (see map on page 4)
- Support is provided in the form of subsidy of **CZK 1,5 – 100 million**. Projects realized in regions with focused state support<sup>2</sup> can reach up to **CZK 150 million** of subsidy.
- Subsidy is provided to the beneficiary retroactively following the termination of the project or termination of its phase provided that all conditions stated in the Decision (Decision to Provide Subsidy) were fulfilled.

<sup>1</sup> The date on which the provider of the subsidy or the mediating entity confirms to the applicant, in writing, that the project essentially fulfils programme's conditions of eligibility.

<sup>2</sup> See Annex 9 of Call III of the ICT and Business Support Services programme (<http://www.czechinvest.org/>)

**Maximum permissible state aid intensity valid for  
1. 1. 2011 - 31. 12. 2013**



NUTS II Region	Small enterprise	Medium enterprise	Large enterprise
Northwest, Central Bohemia, Northeast, Southeast, Central Moravia, Moravia-Silesia	60%	50%	40%
Southwest	50%	40%	30%
Prague	0%	0%	0%