

Operational Programme Technologies and Applications for Competitiveness 2021–2027 (OP TAC)

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Deputy Minister

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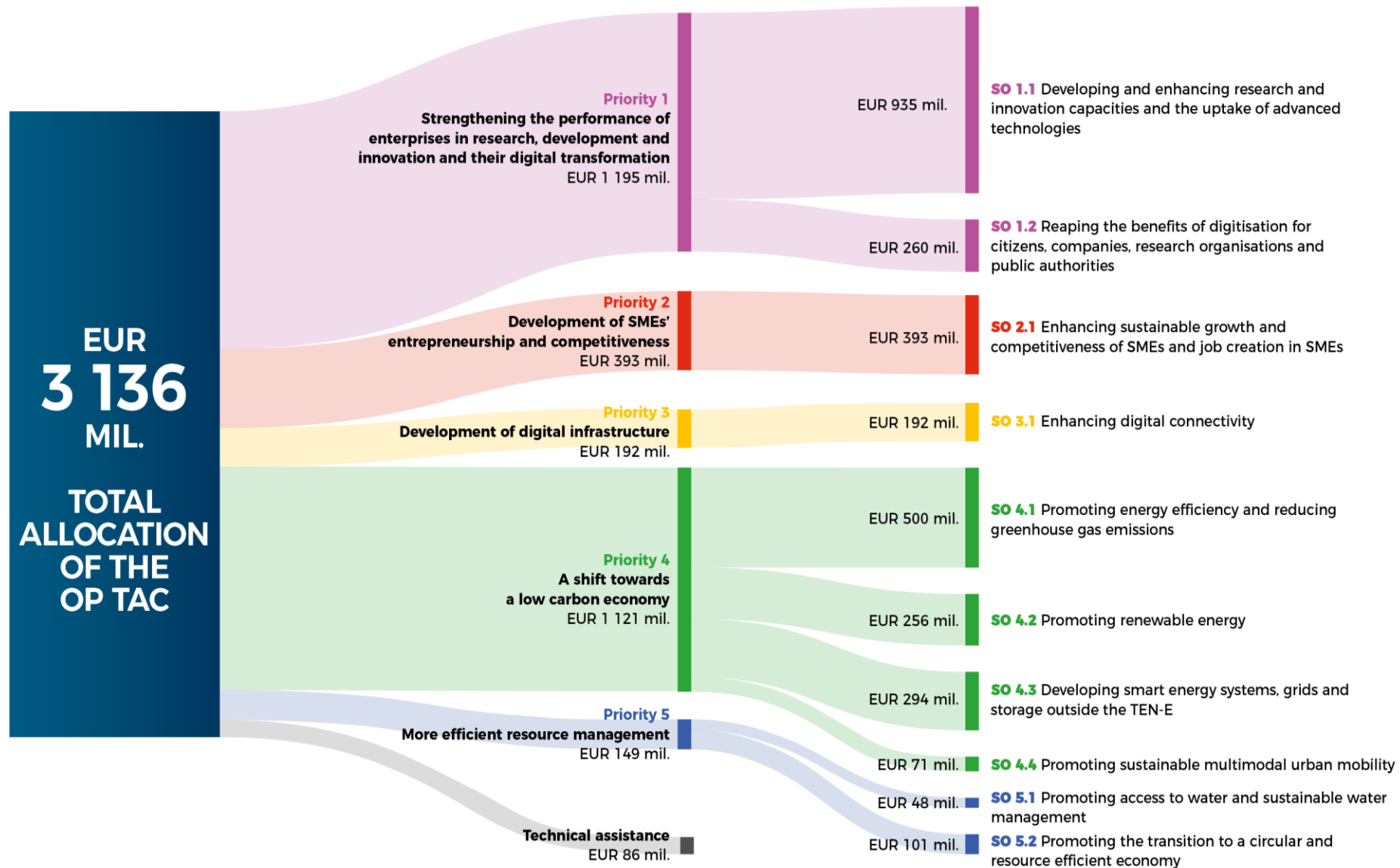
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Challenges solved and lessons to learn

from the 2014–2020 programming period



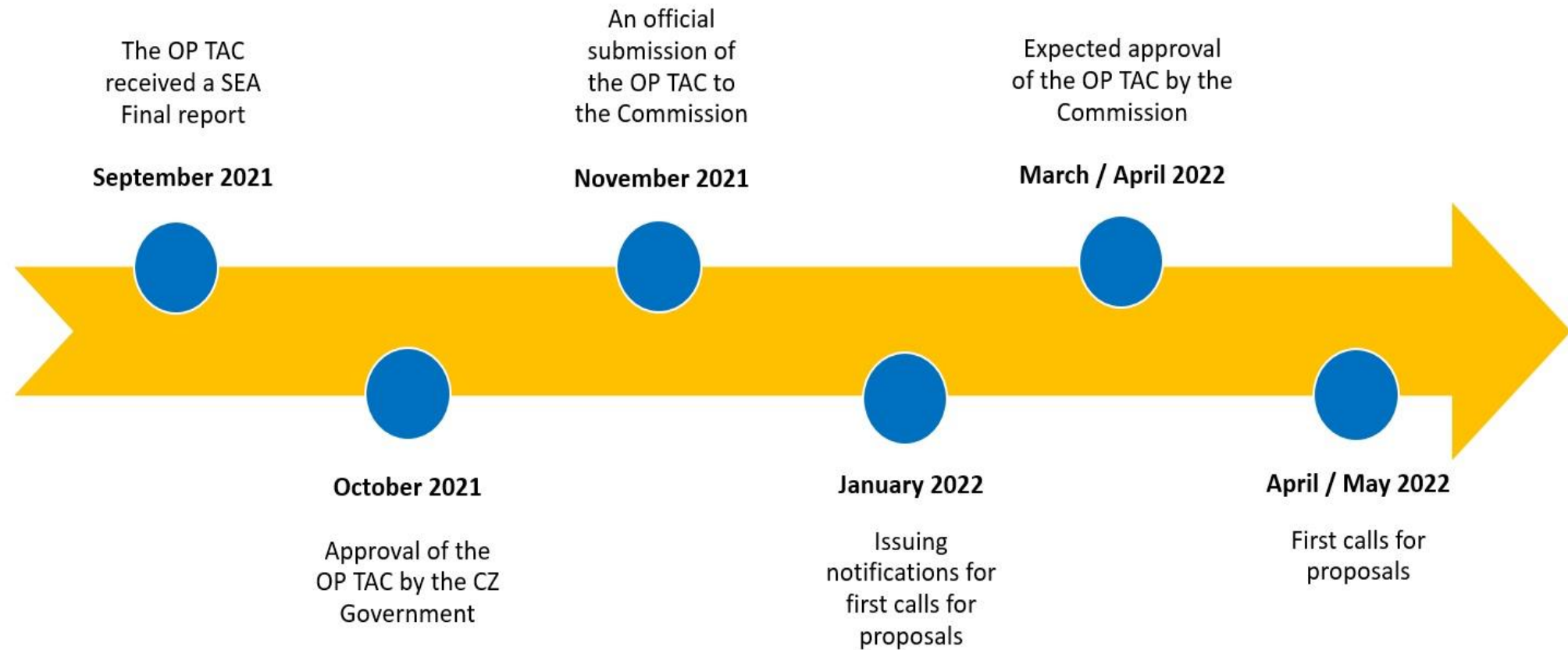


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State of play



SME definition



SME definition

- ➔ Main reason for warning letter and suspension of payments for OP EIC in 2019
- ➔ Several thousand projects verified for SME status retroactively by MA



SME definition, main obstacles

- ➔ Sometimes unclear interpretation of SME definition provisions
- ➔ Lack of guidance from DG Growth
- ➔ Approach to data – especially abroad
- ➔ Links through natural persons – family links and its influence on SME status
- ➔ Sometimes strict interpretation of auditors



Lessons learned

- ➔ Databases and tools for graphic display of company links are crucial
- ➔ Possibility of automation is limited
- ➔ Need of trained staff – analytical skills, specialization on SME's checks
- ➔ Absence of arbitration – no possibility to assess disputable cases by third independent party



Functional definition?

➔ According to the SME survey and public consultation, stakeholders consider the Definition as **generally clear, but with some exceptions**, especially concerning the rules on ownership and concepts related to them

➔ **Table 9 - Ex-post checks performed by the European Chemicals Agency**

Year	2011		2012		2013		2014		2015		2016		2017		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Verified cases	245	100%	315	100%	516	100%	271	100%	423	100%	570	100%	332	100%	2672	100%
Wrong size (including within SME categories)	197	80%	192	61%	394	76%	88	32%	150	35%	284	50%	168	51%	1473	55%
Non-SMEs	187	76%	177	56%	378	73%	71	26%	106	25%	228	40%	143	43%	1290	48%

SME definition

Source: COMMISSION STAFF WORKING DOCUMENT EVALUATION of Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises (2003/361/EC)

Source: Data provided by the European Chemicals Agency

➔ 55% of error rate in SME status on real data from ECHA is probably among some exceptions...



Covid challenges



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COVID Financial Instruments

- ➔ The overall objective of these programmes is to eliminate negative economic impacts of coronavirus pandemic and maintain employment. Programmes support access to operational financing for micro and SMEs, whose economic activities are limited due to the consequences of coronavirus infection and related preventive measures.
- ➔ The COVID FI programs were implemented as part of the EXPANSION programme. This support programme which facilitates the access of small and medium-sized enterprises to bank loans, and consists of two parts, a loan fund and a guarantee fund.



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- ➔ The programmes are administered by the National Development Bank. Eligible companies need to be registered in the Czech Republic, and not operate in primary production in the areas of agriculture, fisheries and aquaculture.
- ➔ The support programmes are implemented under the conditions of GBBER or de minimis public aid.



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COVID Financial Instruments

COVID I preferential loan:

amount of loan up to 90 % of the envisaged project eligible expenditure, from 500 thousand up to CZK 15 million, loan maturity up to 2 years, interest-free loan. This special call was due to COVID 19 pandemic with overall allocation ca. CZK 1 billion. The call is already closed.

COVID II portfolio guarantee with financial contribution (to pay interest):

up to 80 % of the underlying loan, guarantee amount up to CZK 15 million, guarantee lasting up to 3 years, financial contribution, this special call was due to COVID 19 pandemic with overall allocation ca CZK 5 billion. The call is already closed.

COVID SPORT portfolio guarantee with financial contribution (to pay interest):

up to 80 % of the underlying loan, guarantee amount up to CZK 15 million, guarantee lasting up to 3 years, financial contribution. This special support aims to address the current challenges of enterprises operating in the sports sector. Allocation is ca CZK 1 billion. The call is still open.



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Technology COVID-19:

- ➔ In response to the escalating COVID-19 pandemic, a specific call was launched for SMEs to support the production of scarce medical and protective equipment or the disposal of infectious waste to directly combat the further spread of the infection.
- ➔ The call was launched in mid-April 2020 and applications for support were accepted during May 2020.
- ➔ The original allocation of EUR 11,43 millions for this call was increased to EUR 21,34 millions, which made it possible to support all recommended projects.
- ➔ The support was provided under the Temporary Framework, which the EC considers compatible under the Article 107 (3) letter b) TFEU.
- ➔ The project evaluation model was modified and for this purpose it was focused only on the control of formal requirements, eligibility and identification of eligible expenses according to the defined list of medical devices.



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Technology COVID-19:

- ➔ The subjects of the subsidy were mostly the costs of acquiring technologies for the production of disinfectant gels, protective medical masks and FFP2 respirators.
- ➔ The subsidy for each project was provided in the amount of at least EUR 9,53 thousands and up to a maximum of EUR 762 thousands. The aid intensity was equal to 50 % of the eligible expenses.
- ➔ All projects were issued a Decision on the provision of subsidy until 31 December 2020 according to the conditions of the EC.
- ➔ Currently, 80 projects are supported with a total subsidy of EUR 13,72 millions.



Pending issues with the Commission

- ➔ "Do no significant harm"
- ➔ Fit for 55 – targets for energy efficiency & renewables
- ➔ Integrity Pacts & Public Procurement
- ➔ New European Bauhaus
- ➔ Forms of Support



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Thank you for your attention

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Section of EU Funds

Ministry of Industry and Trade



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