



The Stairway to excellence (S2E)

Boosting regional growth through innovation

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**Deputy of the Deputy Minister
for R&D&I**





The Section for Science, Research and Innovation

- established at the Office of the Government of the Czech Republic
- headed by the Deputy Prime Minister for Science, Research and Innovation
- an active moderator and coordinator of debates among main stakeholders in the system of science and development in the Czech Republic
- responsible for the drafting of budget for R&D
- provides support for the Government's Research and Development Council
- coordinates the National R&D&I Policy and National Research and Innovation Strategy for Smart Specialisation (RIS3)



Overview

Czech Republic introduces complex system of synergic activities to support innovative SMEs :

Structural Funds grants: OP Enterprise and Innovation for Competitiveness (4,3 bln. € for 2014-2020, with high focus on SMEs)

Structural Funds financial instruments: National Innovation Fund for preseed and startup investments and guarantees and soft loans for SMEs (more than 400 mil. €) at Czech-Moravian Guarantee and Development Bank (CMGDB)

EIF tailor made financial instruments: EIF (Czech) Fund of Funds for early stage investments & EIF Central European Fund of Funds for expansion phase investments

EIF H2020 InnovFin and COSME instruments: several financial products in place

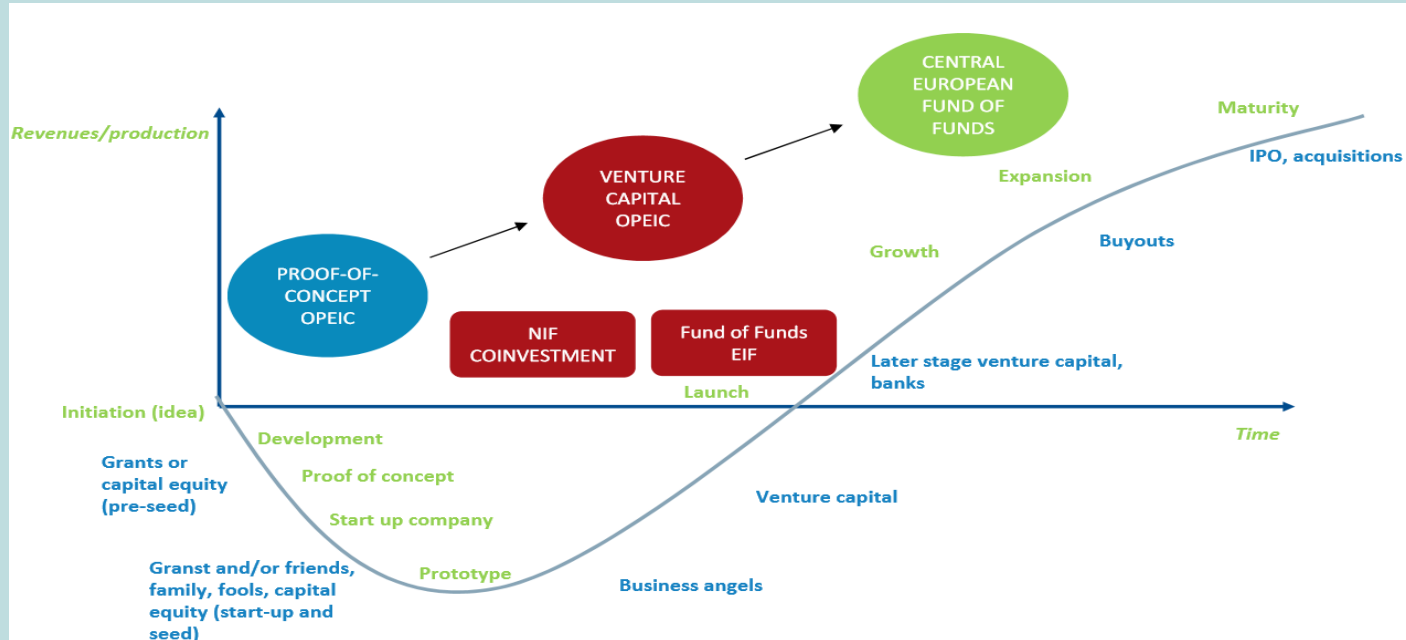
National budget grants: several schemes, especially TACR grants to support commercialization & creation of spinoffs and proof-of-concept for innovative SMEs

National budget financial instruments: activation of the CMGDB

Consultancy, mentoring and coaching for innovative startups: successful startup ecosystem schemes provided by the CzechInvest Agency

The system is to be strongly based on financial instruments.

Relevant measures for the company life-cycle





VC financing in the Czech Republic

Venture capital financing gap

As confirmed by conclusions of the Ex-ante assessment of OP EIC financial instruments, the venture capital market in the Czech Republic is still little developed, it is one of the weakest ones in the EU and the entire Europe, and new innovative business entities have significant difficulties obtaining external financing

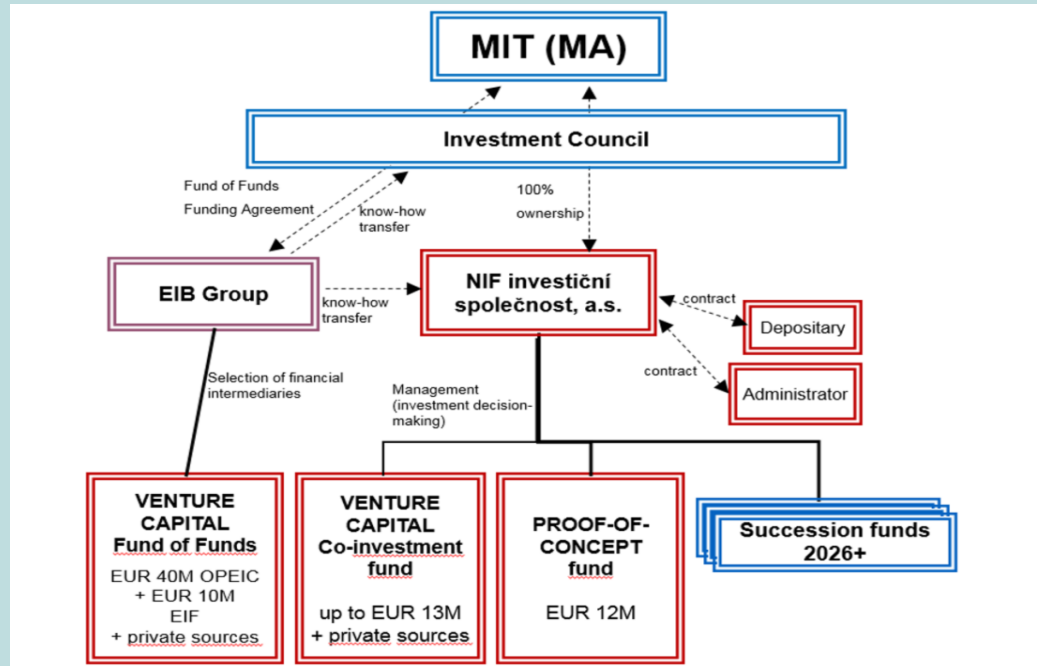
Support for venture capital fits into broader government efforts support investments in the Czech Republic in, among other things, research, development and innovation and it is recommended e.g. in the National R&D Policy, the RIS3 strategy or the International Competitiveness Strategy 2012–2020.

Unlike the neighbouring CEE countries (Slovakia, Poland, Hungary, the Baltic states, Bulgaria), state support of venture capital has not been launched yet. State support has become an important source of funding of start-up and seed stages of venture capital in Europe.

Innovative startups are seen as important part of dynamism of the innovation ecosystem for the future.



National Innovation Fund (NIF)





NIF - Proof of Concept

NIF Proof of Concept Fund (PoC) – most challenging project:

The aim is to support commercialization at research institutions (RI) including higher rate of spinoff creation (now very low in the Czech Republic)

A tool for support in the form of capital investment MIT will establish a PoC fund from the OPEIC resources which will invest into entities created by research institutions

These entities will be set up as daughter companies (SPV), esp. for the purpose of managing commercialization activities. RI will transfer their rights and know-how for the specific projects to them, they will be administered through the commercialization centres RI (STP, CTT), key experts and research staff will be contracted

PoC fund gets a share in the commercialization centre in return for resources to fund activities

A successful exit is a commercial use of R&D in forms of spin-off creation or a licence sell

RI and POC fund will share the returned resources from successful activities



Thank you for your attention.

