

CzechInvest AfterCare Program



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Head of AfterCare Services Department

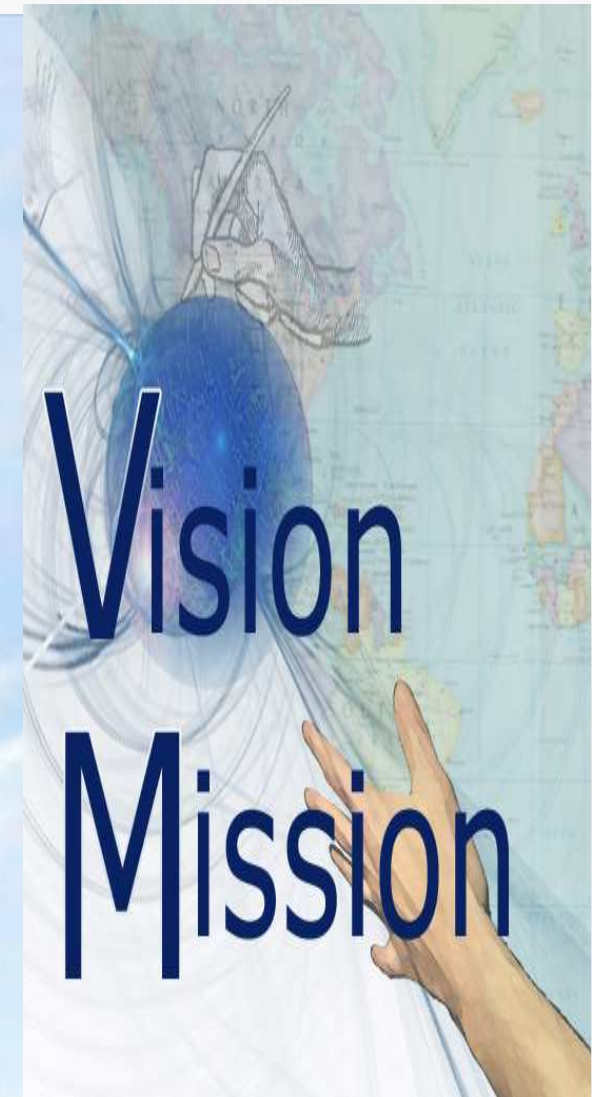
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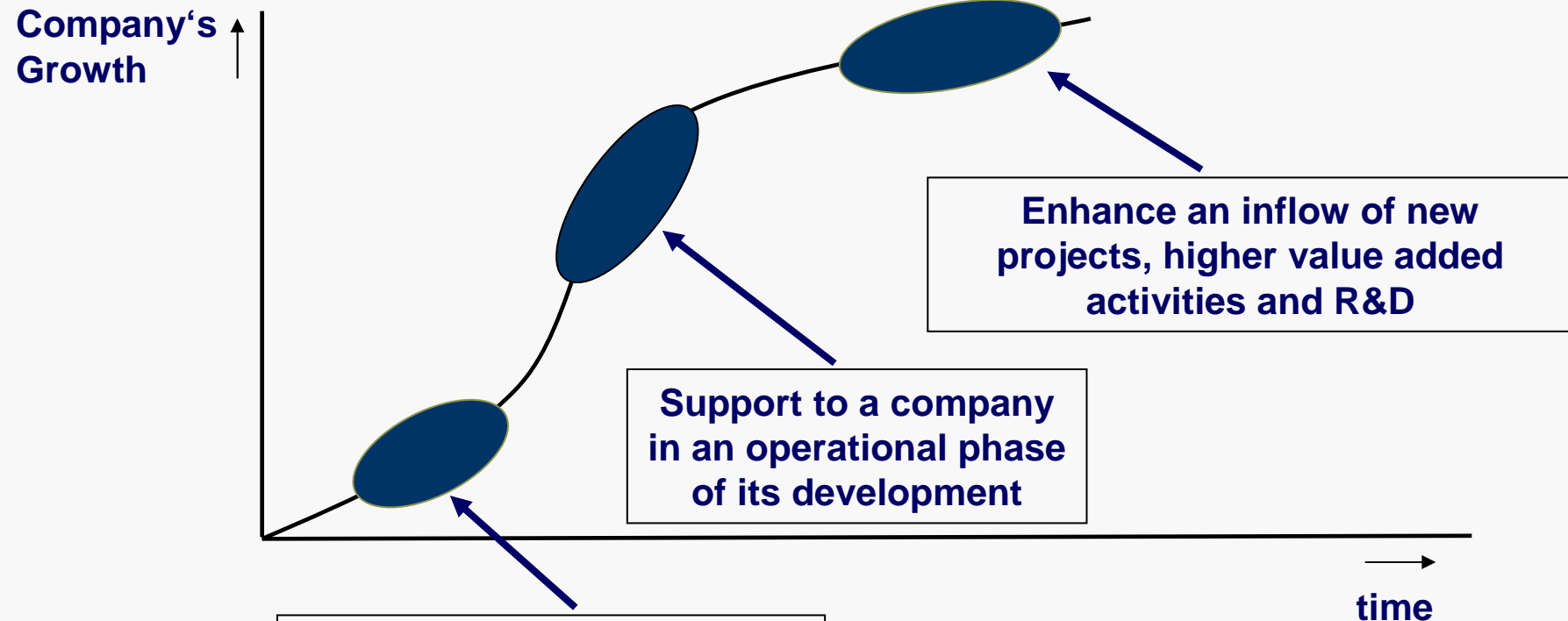
AfterCare Program

Strategy

- Maintain continuous contact with both Czech and foreign investors
- Be a supportive partner to them
- Enhance their further investment activities in the Czech Republic
- Persuade them to reinvest profits and expand their operations
- Contribute to the value added growth of their local operations
- Motivate them to set up R&D or technology centres in the Czech Republic



Aftercare – Helping clients to establish deeper roots in the CR



A SHIFT FROM PROJECT TO ACCOUNT MANAGEMENT

Aftercare Department in CzechInvest

- Operates under the investment division
- In 2006 – 4 staff including visa specialists
- As of 2007 – 7 staff in headquarters
- As of 2009 – 12 additional staff at regional branches
- Department provides support to almost 400 clients



AfterCare Section



“We are a bridge linking investors to CzechInvest”

CzechInvest

- management
- incentives experts
- sourcing experts
- EU funding experts

CzechInvest

- marketing experts
- sector experts
- public relations experts
- real estate experts



**AfterCare
Section**



Investors



Main activities

- Regular contact with investors
- Support to expansions and reinvestments of existing local operations
- Provision of feedback to the government
- Development of the Czech business climate and legislative framework
- Organizing official events



Services & Activities

Services



- **Informational services:** on legislation, human resources, properties, approval procedures, etc.
- **Assistance with specific difficulties in day-to-day business** (e.g. electricity/water supply, roads, public transportation issues, IPPC, hygiene permits, visa issuance procedure...etc.)
- **State aid consulting** (national and EU structural funds that companies can tap into, including incentives for R&D, innovations, staff training, building renovations, energy savings, etc.)



Source of funding	Type of activity (or its expansion)	Funding programme (adminitrated by CzechInvest)	Type and amount of incentive		Eligible costs
			New manufacturing investors	Existing manufacturing firms	
State incentive programme	Production activities (setting up a new or an expansion of existing production facility)	National incentives (Act on Investment Incentives)	Full tax relief for 5 years, Job creation grants, Training grants	Partial tax relief for 5 years, Job creation grants, Training grants	Investment costs, i.e. purchasing price of land, building, new machinery and intangible assets)
European union structural funds	Innovations (purchase of new or modernisation of existing technology to produce "inovated product")	Innovation (EU funding programme OPPI)	X	Subsidy CZK 1-150 million Max. 40% out of eligible costs	Investment costs, i.e. purchasing price of fixed assets
	R&D activities (industrial R&D, design development)	Potential (EU funding programme OPPI)	Subsidy CZK 1-100 million Max. 40% out of eligible costs	Subsidy CZK 1-100 million Max. 40% out of eligible costs	Investment costs, i.e. purchasing price of land, building, new machinery, intangible assets, and other necessary equipment
	Repair activities (high-tech repair centres)	ICT and Business Support Services (EU funding programme OPPI)	Subsidy CZK 1-80 million Max. 40% out of eligible costs	Subsidy CZK 1-80 million Max. 40% out of eligible costs	Investment costs, i.e. purchasing price of land, building, new machinery, intangible assets, and other necessary equipment OR Gross wages of new employees (including social and health insurance) PLUS Real estate rental for both options
	Building up a training centre (Building up a new or renovation of existing building, purchase of equipment)	Training centres (EU funding programme OPPI)	X	Subsidy CZK 0,2-100 million Max. 40 % out of eligible costs	Purchase or modification of real estate, construction or renovation of building, training aids, equipment, and software
	Training of employees (Both internal or external)	EDUCA (Global EU grant)	Subsidy CZK 0,5 - 8 million Max. 25% out of eligible costs (or de minimis aid ceiling - 500 000 EUR)	Subsidy CZK 0,5 - 8 million Max. 25% out of eligible costs (or de minimis aid ceiling - 500 000 EUR)	Travel, dining, accommodation of trainers and employees in training, personnel costs and direct support of training participants, administrative, and overhead costs, etc.
	Renovation of building (e.g. Brownfield) (Conversion of a building into a business facility and a project documentation).	Real Estate (EU funding programme OPPI)	Subsidy CZK 0,5 - 500 million Max. 40% out of eligible costs	Subsidy CZK 0,5 - 500 million Max. 40% out of eligible costs	Project preparation, purchase price of real estate, utilities networks, land preparation, renovation of business property.
	Energy savings in factory building	Eco-energy (EU funding programme OPPI)	X	Subsidy CZK 0,5-100 million Max. 40% out of eligible costs	Engineering works under construction, renovation/modernisation (technical improvement) of structures, hardware and networks, machinery and equipment, including control software.

Services & Activities

Services



- **Comprehensive supplier linking activities** – identify local partners (suppliers or joint-venture partners) for foreign companies
- **Business property advisory services** (expansion/relocation within the Czech Republic) - identification of suitable industrial zones, sites, existing facilities, brownfields or office space
- **Organizing events** - e.g. networking events, breakfast meetings with ministers and regional governors, roundtables, supplier forums, seminars and workshops on specific topics such as new legal regulations and amendments, visas and working permits, etc.



Services & Activities

Services



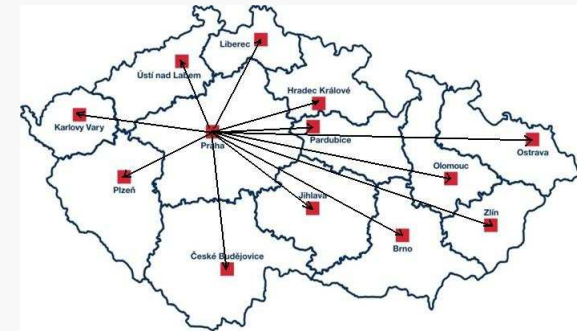
- **Support of human resources** - linking investors with international schools, Czech high schools and universities to align training programs or joint research projects, etc.)
- **Support of visa and working permit procedure** – legislation consultancies, direct arrangements for top managers and VIP persons



New Concept of AfterCare Decentralisation



“A more decentralised model of Aftercare activities and services”



- **Enhanced support at the regional level** (CzechInvest’s regional offices) – utilisation of hidden potential of regional account managers
- **Better utilisation of local connections**
- **Better development of local cooperation** (local authorities, schools, etc.)
- **Systematic solution of persistent business troubles**
- **Improvement of CzechInvest’s knowledge base**

AfterCare

“A communication channel between private and public sectors.”

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CzechInvest, the Investment and Business Development Agency, is an agency of the Ministry of Industry and Trade of the Czech Republic

