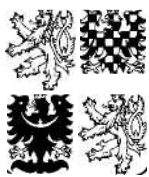


Ročník 2009



SBÍRKA ZÁKONŮ

ČESKÁ REPUBLIKA

Částka 63

Rozeslána dne 14. července 2009

Cena Kč 37,-

O B S A H:

- 209. Sdělení Ministerstva práce a sociálních věcí o uložení kolektivních smluv vyššího stupně
- 210. Sdělení Ministerstva práce a sociálních věcí o závaznosti kolektivní smlouvy vyššího stupně
- 211. Úplné znění zákona č. 130/2002 Sb., o podpoře výzkumu a vývoje z veřejných prostředků a o změně některých souvisejících zákonů (zákon o podpoře výzkumu a vývoje), jak vyplývá z pozdějších změn

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THE PRIME MINISTER

**announces a complete amendment of Act no. 130/2002 Coll.,
on the support of research and development from public funds
and on amendments to some related Acts (Act on the support of research and development),
following on from the amendments brought by Act no. 41/2004 Coll., Act no. 215/2004 Coll.,
Act no. 342/2005 Coll., Act no. 413/2005 Coll., Act no. 81/2006 Coll., Act no. 227/2006 Coll.,
Act no. 171/2007 Coll., Act no. 296/2007 Coll., Act no. 124/2008 Coll. And Act no. 110/2009 Coll.**

ACT

on the support of research, experimental development and innovation

Parliament has adopted the following Act of the Czech Republic:

**PART ONE
SUPPORT OF RESEARCH,
EXPERIMENTAL DEVELOPMENT AND
INNOVATION FROM PUBLIC FUNDS**

TITLE

INTRODUCTORY PROVISIONS

Scope of the Application

This Act shall regulate the support of research, experimental development and innovation from public funds (hereinafter referred to as "Support") and

- a) the rights and duties of legal and natural persons, assignments of organisational bodies of the State and assignments of organisational bodies of the Ministry of Defence and the Ministry of the Interior (hereinafter referred to as "ministerial organisational bodies"), dealing with research, experimental development and innovation supported from public funds, the terms and conditions of such support and public tenders in research, experimental development and innovation,
- b) the provision of information on research, experimental development and innovation through the Research, Experimental Development and Innovation Information System, and
- c) tasks to be carried out by research, experimental development and innovation bodies.

Definition of Terms

(1) For the purposes of this Act, the following terms shall be understood

- a) basic research - theoretical or experimental work carried out with the aim of acquiring new knowledge of the basic principles of phenomena or observed facts, which does not primarily focus on their practical use or

application,

- b) applied research – theoretical or experimental work carried out with the aim of acquiring new knowledge and skills for the development of new or fundamentally enhanced products, technologies or services,
- c) experimental development – the acquisition, combination, formation and use of existing scientific, technological, commercial and other relevant knowledge and skills in order to propose new or fundamentally enhanced products, technologies or services (hereinafter referred to as "development"),
- d) innovations – the introduction of new or fundamentally enhanced products, technologies or services into practice, while distinguishing between:
 1. innovation technologies, which is understood to mean the implementation of new or fundamentally enhanced methods of production or of provision of services, including significant changes in technology, equipment or software,
 2. organisational innovation, which is understood to mean the implementation of new methods of organising the commercial practices of companies, workplaces or external relations.

(2) For the purposes of the provision of support

 - a) the grantor shall be any organisational body of the State or a territorial self-governing entity that makes decisions on the provision of support and that provides this support,
 - b) the applicant shall be any State organisational body, or ministerial organisational body, dealing with research and development, as well as any legal or natural person that applies for the provision of support,

- c) the receiver shall be any applicant for whose benefit the grantor decides to provide the support,
- d) the research organisation shall be any legal person, State organisational body or ministerial organisational body, dealing with research and development,
1. whose primary purpose is to carry out basic research, applied research or development and to disseminate the results through teaching, publication or technological transfer; in the case of a territorial self-governing entity, the provisions concerning the primary purpose of the research organisation also applies to its organisational units,
 2. that reinvests any profits into the activities set forth in sub-paragraph 1,
 3. to *whose* research capacity or results, in accordance with paragraph k), entities that perform economic activities consisting of offering goods or services, which might apply pressure to it, do not have priority access,
- e) infrastructure shall mean any equipment or supporting activities for research, development and innovation that is supported from public funds and that must include
1. services for research, development and innovation,
 2. special research equipment, including its acquisition and related investment costs, and the costs of ensuring the operation thereof where this is essential for part of the research and development activities and which are acquired by research organisations solely for their own use,
 3. data acquisition and storage systems,
 4. activities by legal entities to provide administrative and financial management for research, development and innovation,
 5. verification of research and development results, securing rights thereto and to their dissemination,
- f) major infrastructure for research, development and innovation shall mean a unique research facility, including its acquisition and related investment costs and the costs of ensuring its activities that are essential for comprehensive research and development with heavy financial and technological demands and which is approved by the Government and established by one research organisation for the use of other research organisations (hereinafter referred to as “major infrastructure”),
- g) a public contract for research, development and innovation shall mean a contract for services involving applied research, development or innovation to meet the requirements of the grantor or an administrative authority pursuant to sub-paragraph k), which is not the grantor, provided they are the only users of the results of the research assigned to the receiver as part of a programme of applied research, development and innovation following procedures set forth in the Act on Public Contracts) and performed on the basis of an Agreement on the Provision of Support in accordance with this Act, or on the basis of a Decision on the Provision of Support (Section 9, paragraphs 5 and 6), if the receiver is a State organisational body or a ministerial organisational body dealing with research and development (hereinafter referred to as a “public contract”,
- h) the research, development and innovation programme shall mean any set of material, time and financial conditions for activities necessary to attain the goals
1. of the applied research, development and innovation announced by the grantor in a public tender in research, development and innovation, or in the assignment of a public contract for individual projects [sub-paragraph i)] within the framework of the programme,
 2. of international cooperation by the Czech Republic in research and development performed on the basis of an international treaty, by which the Czech Republic is bound, including cooperation on the basis of legal documents issued for the performance of these agreements, or
 3. of operational programmes for research, development and innovation, (hereinafter referred to as the “programme”),
- i) the research, development and innovation project shall mean a set of material, time and financial conditions for activities necessary to achieve the research, development and innovation goals formulated by the grantor in the public tender for research, development and innovation, or included in the award of a public contract by the grantor (hereinafter referred to as the “project”),
- j) the co-receiver shall be any State organisational body or ministerial organisational body dealing in research and development, or a legal or natural person, whose participation in the project is defined in a draft project and with whom the receiver has concluded an agreement to participate in the performance of the project,
- k) the results of research, development and innovation shall mean
1. in the case of basic research, any new findings concerning the basic principles of the phenomena, processes or observable facts that are published as is customary in that given area of science,
 2. in the case of applied research, any new findings and skills for the development of products,

²⁾ Act no. 137/2006 Coll., on public contracts, as amended.

procedures or services, or findings and skills applied as results that are protected in accordance with legislation regulating the protection of the results of copyright, inventions or similar activities¹⁷⁾ or used by the professional public or other users, or findings and skills for the requirements of the grantor that are used for its activities, provided these were produced during the performance of the public contract,

3. in the development of proposals for new, or significantly improved products, technologies or services,
4. in the innovation of new or significantly improved products, technologies or services, that have been brought into operation,

(hereinafter referred to as “results”),

l) eligible costs shall be any costs or expenditure in research, development and innovation that are spent by the receiver on research, development and innovation activities, or in relation thereto, including:

1. personal costs or outgoings, including scholarships for research, development and innovation in accordance with the Act on Higher Education),
2. costs or outgoings for the acquisition of tangible or intangible assets,
3. other operating costs or outgoings,
4. costs or outgoing on services,
5. supplementary costs or outgoings,

m) allowable costs shall be any eligible costs or outgoings in research, development and innovation that are approved by the grantor and are justified.

(3) The National Research & Development and Innovation Policy of the Czech Republic is a document approved by the Government containing the basic goals for the support, its practical scope, a forecast of developments in expenditure on research, development and innovation from the State budget, from European Union funds and from private sources, the priorities for applied research, development and innovation for a 4 to 6 year period and measures for the implementation thereof (hereinafter referred

to as the “National Research & Development and Innovation Policy of the Czech Republic”).

Subject of Support, Methods of its Provision and Grantors

(1) Support, including support for infrastructure and support for major infrastructure, may only be provided within the scope of and under the conditions laid down herein, whether in the form of targeted and institutional support.

(2) Targeted support may be provided for

- a) a grant project, in which the receiver him/herself sets the goals and method of their achievement in basic research as one of a set of grant projects announced by the grantor,
- b) a programme project, in which the receiver expresses how and under what conditions he/she will contribute to achieving the programme goals; the performance of a programme project may also cover essential basic research activities, provided these lead on to applied research, development or innovation activities,
- c) specific university research, which is research performed by students as part of accredited doctoral or masters study programmes and which is directly related to their studies,
- d) major infrastructure.

(3) Institutional support may be provided for

- a) the long-term conceptual development of research organisations on the basis of an evaluation of the results they have already achieved,
- b) the international cooperation of the Czech Republic in research and development, performed on the basis of international treaties, including cooperation performed on the basis of legal documents issued therefor, such as

1. fees for the participation of the Czech Republic in international research and development programmes,
2. fees for membership of international research and development organisations, or
3. financial contributions from Czech funds

17) Act no. 527/1990 Coll., on inventions, industrial designs and rationalisation proposals, as amended. Act no. 529/1991 Coll., on the protection of topographies of semiconductor products, as amended by Act no. 116/2000 Coll. Act no. 478/1992 Coll., on utility models, as amended by Act no. 116/2000 Coll. Act no. 206/2000 Coll., on protection of biotechnological inventions and the amendment to Act no. 132/1989 Coll., on the protection of rights to new plant and animal varieties, as amended by Act no. 93/1996 Coll. Act no. 207/2000 Coll., on the protection of industrial designs and the amendment to Act no. 527/1990 Coll., on inventions, industrial designs and rationalisation proposals, as amended. Act no. 408/2000 Coll., on the protection of plant variety rights and the amendment to Act no. 92/1996 Coll., on plant varieties, seed and planting material of cultivated plants, as amended, (Act on the protection of plant variety rights).

³⁾ Section 91, paragraph 2 sub-paragraph c) of Act no. 111/1998 Coll., on higher education institutions and on the amendment and supplement to some other Acts (the Higher Education Act), as amended by Act no. 552/2005 Coll.

- to support projects for international cooperation in research, development and innovation, provided this financial contribution can be paid from public funds and provided these projects are supported from other state budgets or from the European Union budget or are funded by international organisations,
- c) operational programmes in research, development and innovation, or the parts thereof that will ensure achievement of the research, development and innovation goals,
- d) ensuring public tenders in research, development and innovation, as well as issuing public contracts, including costs for project evaluation and monitoring and assessing the results achieved, as well as assessing conditions for the provision of support for specific university research, major infrastructure or international cooperation by the Czech Republic in research, development and innovation, to a maximum amount not exceeding 2.5% of the funds provided by the grantor for research, development and innovation in a given calendar year, with the exception of organisational outgoings paid in accordance with sub-paragraph f),
- e) material or financial reward for the results of research, development and innovation or financial reward for the promotion or popularisation of research, development and innovation, where the conditions for this reward are set by the Government on the basis of a proposal by the Council for Research, Development and Innovation,
- f) expenditure related to the activities of the Council for Research, Development and Innovation, the Grant Agency of the Czech Republic, the Technological Agency of the Czech Republic and the Academy of Sciences of the Czech Republic⁴).
- (1) Targeted support is provided in the form of a grant to a legal or natural person or by increasing funding to state organisational bodies, regional organisational bodies and ministerial regional bodies dealing in research and development for
- a) grant projects funded by the Grant Agency of the Czech Republic,
- b) programme projects in cross-sectional and sectoral areas of science, development and innovation, as established by the Government on the basis of a proposal by the Council for Research, Development and Innovation in the National Research & Development and Innovation Policy of the Czech Republic, from funding of research, development and innovation from the relevant grantor of targeted support in that given area,
- c) programme projects funded by the Technological Agency of the Czech Republic,
- d) projects resolved under the programme of a territorial self-governing entity from its expenditure on research, development and innovation,
- e) projects for programmes of international cooperation by the Czech Republic in research and development, major infrastructure projects approved by the Government and specific university research from research and development funds provided by the Ministry of Education, Youth and Sports.
- (2) Institutional support is provided from expenditure on research, development and innovation for
- a) long-term conceptual development of research organisations on the basis of an evaluation of the results they have already achieved in the form of a grant for a legal entity or an increase in funding for State organisational bodies, organisational bodies of territorial self-governing entities or ministerial organisational bodies dealing with research and development
1. by their founder, provided its budgetary chapter, or its budget in the case of a territorial self-governing unit, is authorised to support research, development and innovation,
 2. by the Ministry of Industry and Trade or the Ministry of Agriculture, whichever has jurisdiction, if the research organisation has been founded under private law,
 3. by the Ministry of the Interior, if the research performed by the research organisation is primarily security-related,
 4. by the Ministry of Defence, if the research organisation is one of its organisational units,
 5. by the Ministry of Education, Youth and Sports, if institutional support may not otherwise be provided under paragraphs 1 to 4,
- b) for international cooperation by the Czech Republic in research and development in accordance with Section 3 paragraph 3 sub-paragraph b) by the Ministry of Education, Youth and Sports,
- c) for operational programmes in research, development and innovation by the Ministry of Education, Youth and Sports or the Ministry of Industry and Trade, whichever has jurisdiction,
- d) for activities pursuant to Section 3 paragraph 3 sub-paragraphs c) to e) by the relevant grantor and the Council for Research, Development and Innovation through the budgetary chapters of the Office of the Government of the Czech Republic

⁴) Section 3, paragraphs 1 and 2 of Act no. 283/1992 Coll., on the Academy of Sciences of the Czech Republic, as amended.

Draft expenditures from the State Budget for Research, Development and Innovation

(1) The draft expenditures from the State Budget for research and development are derived from the National Research & Development and Innovation Policy of the Czech Republic and cover draft expenditures for the calendar year and the medium-term outlook for the period of 2 consequential years.

(2) Prior to submitting the first draft expenditures pursuant to paragraph 1, the Government shall approve the programme that has commenced in the current calendar year. The draft programme is drawn up by the relevant administrative authority in accordance with the National Research & Development and Innovation Policy of the Czech Republic. The author shall submit the draft programme to the Council for Research, Development and Innovation for its opinion. In the event the programme is due to be implemented by the Technological Agency of the Czech Republic, the draft will also have to include the opinion thereof. The draft programme shall contain in particular

- a) identification data of the programme, its possible division into sub-programmes, the date of its publication and the term of its duration,
- b) total expenditures and those expenditures to be covered by public funds on implementation of the programme, or sub-programme, including expenditures from the State Budget, broken down into individual years,
- c) the highest admissible level of support and its justification,
- d) a specification of the programme goals, together with their justification and the method of their fulfilment, criteria for achieving the programme goals, a comparison with the current situation in the Czech Republic and abroad and the expected benefits of the programme,
- e) requirements for proving the applicants' eligibility and the method and criteria for evaluating the draft projects.

(3) Draft programme changes shall be submitted if the grantor decides

- a) to increase or decrease overall expenditure on the programme or sub-programme by more than 20%,
- b) to change the admissible level of support,
- c) to change the duration of the programme, or

- d) to change the programme goals.

The procedure for submitting a draft programme change will be the same as set forth in paragraph 2.

(4) If a request for the launch of a new group of grant projects is to be part of the draft submitted to the Grant Agency of the Czech Republic, pursuant to paragraph 1, the provisions of paragraph 2 are applied in the same way.

(5) The programme notification procedure for the European mission, including the procedure for notifying programme changes, shall be regulated by the directly applicable regulations of the European Community⁵⁾.

(6) The provisions on budgeting rules shall not apply to programmes defined by this Act⁶⁾.

Section 5a

(1) The Government shall specify the total expenditure on research, development and innovation of individual budgetary chapters based on a proposal from the Council for Research, Development and Innovation.

(2) The Council for Research, Development and Innovation shall send to the administrators of the budgetary chapters⁷⁾

- a) a proposal for the total expenditure package for research, development and innovation to be covered by the individual budgetary chapters,
- b) a proposal for the total expenditure package pursuant to Section 6 paragraph 2 c), broken down by research organisation; this proposal is based on an evaluation of the results attained by research organisations over the past 5 years, on the National Research & Development and Innovation Policy of the Czech Republic and on the results of an international assessment of research and development in the Czech Republic.

(3) Administrators of budgetary chapters from which research, development and innovation is supported, shall draw up proposed expenditures on research, development and innovation from their chapters in order to provide for preferential implementation of projects initiated in previous years and other obligations. The proposed expenditures shall cover in particular

- a) the proposed total expenditure, broken down pursuant to Section 6, provided that the proposed total expenditure pursuant to Section 6 paragraph 2 (c) continues to be broken down by research organisation,
- b) data on approved programmes pursuant to Section 5 paragraph 2 and on other research, development and innovation activities that are eligible for support in accordance with Section 3.

5) Council Regulation (EC) no. 659/1999 of 22 March 1999, laying down detailed rules for the application of Article 93 of the EC Treaty. Commission Regulation (EC) no. 794/2004 of 21 April 2004, implementing Council Regulation (EC) no. 659/1999, laying down detailed rules for the application of Article 93 of the EC Treaty.

6) Sections 12 and 13 of Act no. 218/2000 Coll., on budgetary regulations and on amendments of some related Acts (Budgetary Rules), as amended by Act no. 26/2008 Coll.

7) Section 3 (g) of Act no. 218/2000 Coll.

(4) Proposed expenditures on research, development and provision for State support of research, development and innovation shall be submitted by the administrators of the budgetary chapters to the Council for Research, Development and Innovation, which will discuss these with them. The Council for research, development and innovation may recommend to the Government an amendment to the proposed expenditures referred to above, to reflect the results of an international assessment of research and development in the Czech Republic, which will be published using a method that enables remote access at the latest by the date the proposed expenditure has been sent out in accordance with paragraph 2.

(5) If a request to launch a new program forms part of the proposed medium-term support, this must be justified. The justification in the proposal shall indicate

- a) the programme aim,
- b) the programme focus and goals,
- c) the duration of the programme,
- d) the total expenditures for programme implementation, broken down by individual year, divided into expenditure from public funds, indicating the level of funding from the State budget, and a proposal for the amount of aid required.

(1) The binding indicators of the respective budget chapters shall be the research, development and innovation expenditures in total, including the total level of institutional support and the total level of targeted support.

(2) Of the total research, development and innovation expenditures from individual budget chapters, additional binding indicators, if applicable, shall be as follows,

- a) targeted support for applied research, development and innovation programmes,
- b) targeted support for specific university research,
- c) institutional support for research organisations on the basis of the results they have already achieved,
- d) institutional support for international cooperation by the Czech Republic in research and development.

Provision of Support

(1) Support shall be provided from the National Research & Development and Innovation Policy of the Czech Republic and must be provided in compliance with the relevant rules and regulations of the European

Community that make provision for State support of research, development and innovation^{7a)}.

(2) Support may only be provided for eligible expenses.

(3) Targeted support shall be provided by the grantor after completion of a public tender in research, development and innovation in accordance with this Act or on the basis of a public contract to be awarded pursuant to the Act on public contracts²⁾, with the exception of cases provided for under paragraphs 4 and 5 and those projects for international cooperation in research, development and innovation where the project was selected at an international level.

(4) Targeted support for major infrastructure project shall be provided by the grantor once the project has been approved by the Government. When a draft major infrastructure project has been submitted to the Government for approval, the procedure shall be followed as stipulated in the first to third sentences of Section 5 paragraph 2.

(5) For specific university research, institutional support shall be provided in accordance with the rules approved by the Government, which set forth the receiver of the support, the criteria and method of providing the support.

(6) Institutional support shall be provided by the grantor to research organisations on the basis of an assessment of the results already achieved, in order that their share of the total amount of institutional support for research organisations from the State budget for a given year reflects their share of the value of results achieved by all research organisations over the past 5 years on the basis of an assessment carried out each year by the Council for Research, Development and Innovation. The grantor may adjust the level of support to reflect a more detailed assessment that uses internationally recognised methods⁷⁾, which, together with the results of the more detailed assessment and the rules regulating support, it will publish before the support is provided. The grantor shall also take into account the level of indirect support that has been provided to the research organisation in previous years in the form of tax relief, in the institutional support provided.

(7) Institutional support for international cooperation is provided in accordance with Section 3, paragraph 3(b)

- a) for sub-paragraphs 1 and 2 through the body or organisation that represents the Czech Republic,

^{7a)} Articles 87 to 89 of the Treaty establishing the EC.

Commission Regulation (EC) no. 1998/2006 of 15 December 2006 on the application of Articles 87 and 88 of the EC Treaty to *de minimis* aid. Commission Regulation (EC) no. 70/2001 of 12 January 2001 on the application of Articles 87 and 88 of the EC Treaty to State aid to small and medium-sized enterprises, as amended. Community Framework for state aid for research and development and innovation, Official Journal of the European Union dated 30 December 2006, C 323/01.

⁷⁾ Such as the Research Assessment Exercise.

- b) for sub-paragraph 3, on the basis of a request submitted to the grantor by an applicant, selected in accordance with the rules applicable to the relevant programme for international cooperation in research and development.

Use of the Support

(1) In accordance with the Act on Accounting^{7c)} for the institutional support provided and for other research, development and innovation activities supported from public funds in accordance with Section 3 paragraphs 2 and 3, the receiver shall keep separate records on the expenditures invested in or the costs for each project and, within these records the receiver shall monitor expenditures or costs covered from the support. The receiver shall establish the method of maintaining these records on the basis of the Act on Accounting^{7c)}.

(2) Allowable costs for research, development and innovation performed by the receiver, or another participant in the project, may be covered by targeted support for the project.

(3) Whilst acquiring any tangible or intangible assets for research, development and innovation activities, only such part of the acquisition costs that corresponds to the expected use for the given research, development and innovation activity may be included in the eligible costs.

(4) The receiver may cover costs for research, development and innovation activities performed by another research organisation from institutional support, provided these activities are the subject of cooperation in research, development and innovation between the research organisations based on a written agreement.

(5) In the event that the project lacks detailed specification of the subject of any service or the acquisition of tangible or intangible assets in research, development and innovation, including the price and exchange rate applicable at the time the draft project was submitted, and the supplier, the receiver shall proceed on the basis of the Act on public contracts²⁾.

Arrangement of Relations between the Grantor and the Receiver

(1) The grantor and the receiver of targeted support for a grant or programme project shall enter into a written agreement on the provision of support to conclude a selected project. The term of this agreement shall cover the whole period of such project and a subsequent period for the

evaluation of the project results, including settlement of the support provided in accordance with budgeting rules⁸⁾, which period shall not, however, be longer than 180 days after the date the project is completed. The term of the Contract on the Provision of Support may be extended. Among the requirements of the Contract on the Provision of Support, the following shall be included in particular

- a) the name of the grantor,
- b) the name of the receiver, and in the event more than one receiver is participating, the name of the receiver who will coordinate the implementation of the project in relation to the grantor and its rights and obligations,
- c) the name, identification and scope of the project,
- d) the project goals and expected results, and the method of verifying whether they have been achieved,
- e) the name, surname and any academic titles or scientific ranking of the natural person who is responsible to the receiver for the professional level of the project, (hereinafter referred to as the "Project Manager"),
- f) the dates of commencement and termination of the project,
- g) the amount of allowable project costs and their classification, the amount of the support and its allocation by respective years, including the dates and the method of its provision,
- h) the regulation of the rights of use and ownership of the results under the conditions provided for in this Act,
- i) contractual conditions for the participation of other participants in the project, the amount of their support, including the level of expenditure from the State budget and its allocation in respective years, including the dates and the method of its provision and monitoring,
- j) the method of disclosure of allowable project costs,
- k) the method of project monitoring, including monitoring the use of the support provided and monitoring the use of the results,
- l) the method of evaluating the results of the project, including the settlement of the support provided,
- m) defining the level of confidentiality of the data, including their classification in accordance with special legal regulations⁹⁾,
- n) the method of providing information concerning the project and its results to the Research, Development and Innovation Information System,
- o) the method of dispute settlement,
- p) sanctions for breach of contract,

^{7c)} Act no. 563/1991 Coll., on accounting, as amended. ⁸⁾ Act no. 218/2000 Coll., as amended. Act no. 250/2000 Coll., on budgetary rules for regional budgets.

¹⁰⁾ Act no. 148/1998 Coll., on the protection of classified information and on the amendment to certain Acts, as amended. The Commercial Code.

q) the dates on which the contract enters into effect and terminates.

(2) The approved draft project shall be part of the Contract on the Provision of Support.

(3) Unless otherwise stipulated in this Act, the Contract on the Provision of Support shall be governed by the provisions of the Commercial Code.

(4) The Contract on the Provision of Support may be concluded with more than one receiver at the same time and their mutual relations shall be provided for as an integral part of the Contract. The provisions of this Act on the contents of the Contract on the Provision of Support shall also have commensurate application to contracts concluded in relation to the performance of public contracts in accordance with a special legal regulation²⁾.

(5) Should the receiver of targeted support for a grant or programme project, or some other participant in the project that is also due to receive support, be State organisational bodies or ministerial organisational bodies, *carrying out* research and development, the grantor shall issue a decision on the provision of support in accordance with the budgetary rules⁸⁾. Requirements for the decision to provide support shall correspond with the requirements for the Contract on the Provision of Support, as provided for in paragraphs 1, 2 and 4. In the event the receiver and co-receiver are State organisational bodies under the same budget chapter administrator, they shall not make any mutual payments in accordance with the budgetary rules⁸⁾. In such an event the grantor shall proceed in the same way as in the case of more than one receiver, as provided for in paragraph 4.

(6) The grantor shall also issue a decision pursuant to paragraph 5 in the following cases:

- a) when institutional support is provided to a research organisation on the basis of an evaluation of its results previously achieved,
- b) when targeted support is provided for specific university research,
- c) when support is provided for international cooperation, or
- d) when institutional support is provided for a project falling under the Research, Development and Innovation Operational Programme.

(7) The amount of allowable costs and the related amount of support provided for the project performance during the entire period of the project may not be changed during the course of the project by more than 50% of the amount of the allowable costs or the amount of support covered by public funds provided for in the Contract on the Provision of Support or the Decision on the Provision of Support, as decided by the

grantor when assessing the public research, development and innovation tender, or on the basis of a public contract. Changes to the amount of the allowable costs, and therefore to the related amount of support, must be justified, supported by approved activities and an amendment to the Contract on the Provision of Support and must comply with the conditions for support set forth in this Act.

(8) The receiver shall be obliged to inform the grantor in writing of any changes which occur during the period of validity of the Contract on the Provision of Support or during the period of enforceability of the Decision on the Provision of Support and which affect the receiver's legal personality, and to provide to the grantor information requested to prove competence or which might impact upon the performance of the project, within 7 calendar days from the day upon which the receiver learns of such fact(s).

Section 10

Time Limits and the Manner of Providing Support

(1) If, as a result of the establishment of a provisional budget, in accordance with a special legal regulation⁸⁾, the drawdown of budget funds is not regulated, the grantor shall be obliged to commence providing support within 60 calendar days from the date on which the Contract on the Provision of Support entered into force, or from the date on which the Decision on the Provision of Support was issued. With respect to multi-annual projects, the grantor shall be obliged in the second and subsequent years of the project to commence providing support within 60 calendar days of the beginning of the calendar year in the event that all the receiver's obligations arising from the Contract on the Provision of Support or Decision on the Provision of Support have been met and data has been input into the Research, Development and Innovation Information System in compliance with this Act and with a special legal regulation¹²⁾. The receiver shall be obliged to commence the project within the same period of time.

(2) The grantor shall provide the support only to the receiver, without implementing any budgetary measure, by direct transfer from the grantor's account to the receiver's bank account, or by facilitating the drawdown of funds from the grantor's charge account up to the limit set by the receiver. If any co-receiver participates in the project, the grantor shall provide to the receiver the targeted support, including the portion intended for the co-receiver, without implementing a budget measure, with the exception of cases where the receiver, or co-receiver is a State organisational body established by a founder other than the grantor. The receiver shall record the support funds in accordance with special legal regulations¹³⁾.

(3) The grantor shall provide to the receiver

¹²⁾ Act no. 106/1999 Coll., on free access to information, as amended.) Act no. 218/2000 Coll., as amended.

¹³⁾ Act no. 250/2000 Coll. Act no. 563/1991 Coll., as amended.

support for projects that are not public contracts, as a lump sum for a given calendar year and for other cases on the dates stipulated by the Contract on the Provision of Support or the Decision on the Provision of Support.

Section 11

Regulation of the Ownership of the Results and their Utilisation

(1) The receiver of support for the applied research project shall conclude a Contract on the Utilisation of Results with the user of the results, which will be submitted to the grantor at the latest before the end of project performance. The conclusion of a Contract on the Utilisation of Results is based on the arrangements for rights of use and ownership of the results set forth in the Contract on the Provision of Support pursuant to Section 9 paragraph 1(h).

(2) Among the requirements of the Contract on Utilisation of Results are, in particular

- a) the project name and identification data,
- b) the definition of results and their comparison with the project goals,
- c) the arrangements for rights of use and ownership of the results pursuant to Section 16,
- d) the manner in which the results will be used and the date by which the results will be applied, at the latest within 5 years of project completion,
- e) the extent of the level of data confidentiality and the manner of data handling in accordance with special legal regulations¹⁵⁾,
- f) sanctions for breach of contract,
- g) the dates on which the contract enters into force and terminates.

(3) Unless otherwise provided for in this Act, the provisions of the Commercial Code shall apply to the Contract on the Utilisation of Results.

Section 12

Provision of Information

(1) Support shall be provided subject to the disclosure of true and timely information by both the receiver and the grantor concerning the research, development and innovation carried out and on its results through the Research, Development and Innovation Information System.

(2) If the subject of the project or other research, development and innovation activity is the subject of a legally established or acknowledged confidentiality obligation, the grantor and the receiver shall provide information on the

performance of the research, development and innovation and their results, with the exception of such information the disclosure of which is prohibited by *law*.

Section 13

Monitoring

(1) The grantor shall be obliged to monitor compliance with the project goals, including monitoring the drawdown and use of support funds, and the effectiveness of project expenditure under the terms of the Contract on the Provision of Support. The receiver shall be obliged to facilitate such monitoring.

(2) The monitoring pursuant to paragraph 1, including the evaluation of results achieved and their legal protection, shall always be carried out after the completion of the project. In the event that the period for which the support is provided exceeds two years, the grantor shall also be obliged to carry out the monitoring stipulated in paragraph 1 at least once during the term of the project.

(3) The grantor shall be obliged to exercise financial control of support receivers under special legal regulations¹⁵⁾ covering at least 5% of the total amount of targeted and institutional support provided by the grantor in a given calendar year.

(4) During the final project evaluation on completion thereof, following the procedure set forth in Section 21 paragraphs 4 to 7, the grantor shall be obliged to assess compliance with the goals set forth in the Contract on the Provision of Support concluded pursuant to Section 9 paragraphs 1 to 4, or in the Decision on the Provision of Support, the project results achieved and their relationship to the project goals and to provide information on these to the Research, Development and Innovation Information System, the scope of which is stipulated in the implementing legal regulation.

Section 14

Consequences of a Breach of this Act

(1) The unauthorised provision, use or retention of support shall be viewed as a breach of budget discipline under the budgetary rules⁸⁾.

(2) Any breach of the conditions of the decision on dispensation from the ban on public support shall be subject to the provisions of the Act on Public Support¹⁾.

(3) Any breach of obligations arising from the Contract on the Provision of Support or the Contract on the Utilisation of Results shall be subject to the applicable contractual provisions and to the Commercial Code.

¹⁵⁾ Section 39 of Act no. 218/2000 Coll., as amended. Section 15 of Act no. 250/2000 Coll., as amended by Act no. 320/2001 Coll. Act no. 320/2001 Coll., on financial control in public administration and the amendment to certain Acts (Act on Financial Control), as amended.

¹⁶⁾ Sections 10 and 11 of Act no. 59/2000 Coll.

(4) Any failure to comply with the obligations stipulated in this Act, or any failure to comply with the conditions of the Decision on the Provision of Support issued pursuant to Section 9 paragraphs 5 and 6 on the part of the receiver, or any breach of obligations arising from the Contract on the Provision of Support or the Contract on the Utilisation of Results on the part of the receiver shall entitle the grantor to exclude the receiver's proposed project from a public tender in research, development and innovation for a period of up to 3 years from the date the breach is proved to the receiver, or from the date on which the receiver admits such breach in writing.

(5) In the event that information is input into the Research, Development and Innovation Information System that does not conform to the definition of data items and that affects the amount of support provided, the operator shall remove it from the system and inform the Council for Research, Development and Innovation of this fact. The Council shall then reduce the amount of the expenditures in the draft expenditures from the relevant grantor for research, development and innovation for each year of the subsequent five year period, by up to 100% of the total volume of support that was to have been provided on the basis of this false information for that given year. The grantor shall similarly reduce the support provided to the receiver that provided it with this false information.

TITLE IV

OWNERSHIP OF TANGIBLE ASSETS PROCURED FOR RESEARCH AND DEVELOPMENT, RIGHTS TO THE RESULTS AND THEIR UTILISATION

Section 15

Ownership of Tangible Assets for Research, Development and Innovation

(1) The owner of tangible assets procured from support funds is the receiver.

(2) If more than one receiver participates in the procurement of tangible assets, they shall become the owners of appropriate shares in these assets in accordance with the arrangements set forth under the terms of Section 9 paragraph 1(i) in the Contract on the Provision of Support or in the Decision on the Provision of Support.

Section 16

Rights to the Results and their Utilisation

(1) If the results are the fruit of a public contract and cannot

be protected under legislation regulating the protection of results of copyright, inventions or similar creative activities¹⁷⁾¹⁸⁾, the grantor shall be the owner of such results and their disclosure and utilisation is possible only with the prior written consent of the grantor.

(2) If the results are the fruit of a public contract and can be protected under legislation regulating the protection of results of copyright, inventions or other creative activities¹⁷⁾¹⁸⁾, the receiver, if the grantor has not stipulated otherwise, shall exercise the ownership rights to these results, ensure their legal protection and after protection is awarded transfer these to the grantor. The receiver shall be entitled to reimbursement of justifiable related costs, provided these were not part of the project's allowable costs. The written consent of the grantor shall be required for disclosure of the results prior to the submission of an application for patent or trademark protection.

(3) All rights to the results of research, development and innovation activities that do not derive from a public contract belong to the receiver. The method of handling these results is regulated by the internal rules of a receiver that is not a natural person.

(4) Regarding the utilisation of results, with the exception of the provisions set out in paragraphs 1 and 2, it shall apply that

- a) in the case of results fully financed from public funds, the receiver shall be obliged to make the results available under the same conditions as stipulated in the Contract on the Utilisation of Results to all persons interested in their utilisation, unless European Community regulations stipulate otherwise^{8a)},
- b) in the case of results financed from public funds in an amount exceeding 50% and less than 100% of the project costs, the receiver shall be obliged to make the results available under the conditions stipulated in the Contract on the Utilisation of Results, giving preference to those entities that contributed support from private funds,
- c) in the case of results co-financed from public funds to an amount of 50% or less of the project costs, the Contract on the Utilisation of Results shall contain an agreement on the manner of and deadlines for the utilisation of the results with those persons that contributed support from private funds,
- d) in the case of results co-financed by public and other funds and not utilised in the manner and by the deadlines stipulated in the Contract on the Utilisation of results, the receiver shall be obliged to make the achieved results available for utilisation under non-discriminatory conditions and at the market price to all interested parties

¹⁸⁾ Such as Act no. 121/2000 Coll., on copyright law and rights related to copyright and on an amendment to certain Acts (the Copyright Act), Act no. 527/1990 Coll., as amended, Act no. 529/1991 Coll., as amended by Act no. 116/2000 Coll., Act no. 478/1992 Coll., as amended by Act no. 116/2000 Coll., Act no. 206/2000 Coll., as amended by Act no. 93/1996 Coll., Act no. 408/2000 Coll., as amended.

^{18a)} Articles 32 to 38 of the Treaty establishing the European Community, as amended.

Article 9 of the Community Framework for state aid for research and development and innovation, (published in the Official Journal of the European Union on 30 December 2006, under no. 2006/C 323/01.)

TITLE V

PUBLIC TENDERS IN RESEARCH, DEVELOPMENT
AND INNOVATION

Section 17

**Publication, Contents and Terms and Conditions of
Public Tenders in Research, Development and Innovation**

(1) Unless otherwise provided for in this Act, the provisions of the Commercial Code shall apply to public tenders in research, development and innovation.

(2) Public tenders in research, development and innovation, their content and terms and conditions, or their cancellation, if appropriate, shall be published by the grantor in the Commercial Journal and through the Research, Development and Innovation Information System and, at the same time the grantor may publish them in any other way. The grantor is not permitted to modify the published terms and conditions of a public tender in research, development and innovation. The terms and conditions of a public tender in research and development shall contain in particular

- a) the latest version of the programme approved by the Government in accordance with Section 5 paragraphs 2 and 3 and reviewed by the European Commission or a group of grant projects, as well as the expected date of their *commencement* and termination,
- b) requirements for proving the applicants' eligibility,
- c) the method and criteria for draft project evaluation,
- d) the deadline for the tender as provided for in this Act,
- e) the evaluation deadline as provided for in this Act,
- f) the place where tender documentation shall be collected, the place where and the manner in which draft projects shall be submitted, and the period of time during which these draft projects may be submitted,
- g) the grantor's name and head office and the telephone number and electronic address of its contact staff.

(3) The grantor may also establish other terms and conditions for the public tender in research, development and innovation, which it shall publish along with the terms and conditions for this tender set forth in paragraph 2. The grantor

may only establish an exclusive method of submitting draft projects in accordance with a special legal regulation) if this does not place restrictions on certain applicants.

(4) In the event that the publication of the terms and conditions of a public tender in research, development and innovation might endanger the protection of classified information or the defence of the State or national security¹⁴⁾, the grantor shall award the project on the basis of a written invitation to selected legal persons, natural persons, organisational bodies of the State or territorial self-governing entities, or ministerial organisational bodies dealing with research and development. The prior written consent of the Council for Research, Development and Innovation shall be required for this procedure.

(5) The draft project constitutes a request by the applicant for targeted support to be provided in the form of a subsidy or in the form of increased expenditure by an organisational body of the State or a territorial self-governing entity, or a ministerial organisational body dealing with research and development, in accordance with budgetary rules.

(6) For the purposes of a public tender in research, development and innovation, the grantor shall be authorised to collect the necessary data on draft projects and applicants, including personal data, in both written and electronic form. Such data do not constitute publicly accessible information pursuant to a special legal regulation¹²⁾. When collecting, disclosing and otherwise processing these data, the grantor shall be obliged to proceed as provided for in special legal regulations²¹⁾. The scope of the data on draft projects and the data on applicants intended for disclosure shall be defined by the grantor in the tender documentation in compliance with this Act and with special legal regulations²²⁾. With regard to personal data, the grantor may only disclose the name, surname and academic titles or scientific degrees of the Project Manager and other staff participating in the proposed project.

Section 18

Proof of the Applicant's Eligibility

(1) Applicants shall be obliged to prove their eligibility to perform the proposed project. If several applicants compete for the performance of one project, the obligation to prove their eligibility shall apply to all these applicants.

²⁰⁾ Act no. 227/2000 Coll., on electronic signatures and on the amendment to certain other Acts (Act on Electronic Signatures).

) Act no. 412/2005 Coll., on the protection of classified information and security clearance.

²¹⁾ Act no. 148/1998 Coll., as amended.
Act no. 101/2000 Coll., on personal data protection and on the amendment of certain other Acts, as amended. The Commercial Code.

²²⁾ Act no. 148/1998 Coll., as amended.
Act no. 101/2000 Coll., as amended.
Act no. 106/1999 Coll., as amended.
Act no. 121/2000 Coll. The Commercial Code.

(2) An eligible applicant is an applicant who

- a) possesses the professional qualifications required for project performance,
- b) possesses an appropriate licence to perform the activity, if so required by a special legal regulation²³),
- c) is not in liquidation and is not involved in insolvency proceedings²⁴) for bankruptcy or potential bankruptcy,
- d) has settled all due liabilities in relation to the State budget or the budget of a territorial self-governing entity and other due liabilities in relation to the State, the state fund, health insurance companies or the Czech Social Security Administration,
- e) has not been lawfully sentenced for a crime²⁵), elements of which relate to the scope of the applicant's business activities if the applicant is an entrepreneur, or for an economic offence or a crime against property,
- f) has not received within the last three years any disciplinary punishment under special legal regulations applying to the performance of professional activities²⁶), if such activities relate to the subject of the public tender in research, development and innovation,
- g) is not in industrial or any similar relations with any legal entity charged with organising the public tender in research, development and innovation pursuant to Section 23 paragraph 2. This does not apply to ministerial organisational bodies *dealing with* research and development.

(3) The method of proving and assessing eligibility pursuant to paragraph 2 (a) shall be specified by the grantor when publishing a public tender in research, development and innovation, with respect to the nature of the published tender and the expected financial scope of the projects.

(4) Applicants shall prove their eligibility to submit the draft project as follows:

- a) eligibility pursuant to paragraph 2 (b) by documentation evidencing a trade licence or by any other requested authorisation,
- b) eligibility pursuant to paragraph 2 (c) to (f) and, in the case of natural persons, also pursuant to paragraph 2 (g) by affidavit, while in the case of legal entities, eligibility pursuant to paragraph 2 (e) and f) shall be proved for persons who perform the function of the

statutory body of the applicant or its member, with the exception of persons for whom the performance of the function of a statutory body or its member are subjected to a special legal regulation^{27a}) under the same conditions as the conditions for eligibility set forth in paragraph 2 (e) and (f).

(5) An applicant with whom a Contract on the Provision of Support is to be concluded for targeted support to be provided pursuant to Section 9 or for whose benefit the Decision on the Provision of Support is to be issued, shall prove his/her eligibility prior to the conclusion of the Contract or the issuance of the Decision pursuant to paragraph 2 (b) by an authenticated copy of a trade licence not older than 90 calendar days²⁶), an establishment deed, a foundation deed or other document on establishment or foundation, or by an extract, not older than 90 calendar days, from the Company Register or any other records specified by law.

(6) For the purpose of proving the applicant's integrity, the grantor will require an extract from the Criminal Register, in accordance with a special legal regulation²). The application for an extract from the Criminal Register is submitted in electronic form, in a manner that enables remote access. In the case of persons who perform the functions of the statutory body of the applicant or its member, with the exception of persons for whom the performance of the functions of a statutory body or a member are subject to a special legal regulation^{2 a}) integrity shall be proved in the same way as the conditions for proving integrity set forth in paragraph 2 (e) and (f).

(7) An applicant with whom a Contract on the Provision of Support is to be concluded to be provided pursuant to Section 9 or for whose benefit the Decision on the Provision of Support is to be issued, shall only prove his/her eligibility pursuant to paragraphs 2 and 5 once within the framework of a single public tender in research, development and innovation.

(8) The grantor may require compliance with other requirements regarding the eligibility of the applicant, that relate to the nature and terms and conditions of the published programme. The grantor shall specify these requirements regarding eligibility and the manner of proving it in advance as part of the terms and conditions of the public tender in research and development.

23) Such as the Trades Licensing Act, Act no. 246/1992 Coll., on the protection of animals from cruelty, as amended, and Decree no. 311/1997 Coll., on the breeding and use of experimental animals.

24) Act no. 182/2006 Coll., on bankruptcy and its resolution (the Insolvency Act), as amended.

25) The Criminal Code.

26) Such as Act no. 246/1992 Coll., as amended, and Decree no. 311/1997 Coll.

^{27a}) . Such as Section 17 paragraph 4 of Act no. 341/2005 Coll., on public research institutions.

²⁷) Act no. 269/1994 Coll., on the criminal register.

(9) The applicant shall be obliged to provide the grantor with written information on any modifications which occur in the period from the submission of the applicant's draft project until the Contract on the Provision of Support is entered into or a Decision on the Provision of Support is issued and which affect the applicant's legal position, or information required to prove the eligibility thereof and which could affect the grantor's final decision, within seven calendar days from the day on which the applicant learns of such facts.

(10) A legal entity having its head office in a Member State of the European Union or in any other country forming part of the European Economic Area or the Swiss Confederation, or a citizen of such state or a long-term resident on the territory of the Czech Republic or the citizen of another country who has been granted residence on the territory of the Czech Republic for the purposes of performing scientific research, may participate in public tenders in research, development and innovation, provided they comply with the conditions for eligibility pursuant to paragraph 2, provided that they prove their eligibility in accordance with paragraph 2 (b) to (f) by affidavit.

(11) Failure to satisfy the requirements for eligibility, obligations to prove such eligibility or obligations pursuant to paragraph 8 shall be a reason for excluding a draft project from the public tender in research, development and innovation for which the grantor is responsible.

Section 19

Tender Documentation

(1) With regard to the announcement of a public tender in research, development and innovation, the grantor shall draw up tender documentation as a set of support material and information needed for processing and submitting a draft project. The grantor shall ensure that the tender documentation is complete. The tender documentation shall contain in particular:

- a) information concerning the programme pursuant to Section 17 paragraph 2 (a) to (e) and (g) or the group of grant projects,
- b) the terms and conditions of the public tender in research, development and innovation,
- c) precise eligible cost entries in accordance with the terms and conditions of the public tender in research, development and innovation,
- d) other terms and conditions of the public tender in research, development and innovation in accordance with Section 17 paragraph 5, should these have been specified,
- e) the scope of the requested information and instructions for processing the draft project, or mandatory attachments if required,
- f) a definition of the extent of the information concerning the draft projects, the applicants and participants in the project that is destined for publication,
- g) in the case of a two-level public tender in research, development and innovation, requirements for completing the draft project in accordance with Section 22 paragraph 6,

h) the place, manner and deadline for the submission of draft projects and for the announcement of the result of the public tender in research, development and innovation.

(2) When announcing a two-level public tender in research, development and innovation, the grantor shall be obliged to process tender documentation for both the first and the second level of the public tender in research, development and innovation.

(3) The grantor shall publish the tender documentation in the place and at the time that was declared during the announcement of the public tender in research, development and innovation.

Section 20

Deadline for the Tender and Deadline for its Evaluation

(1) The tender deadline shall be the period during which draft projects may be submitted. It shall start on the day following the day the public tender in research, development and innovation was published in the Commercial Register and shall end on the day when the acceptance of draft projects terminates. The length of the period to the tender deadline for one-level public tenders, or for the first level and the second level of two-level public tenders in research, development and innovation shall be at least 36 calendar days.

(2) The evaluation deadline shall be the period during which the grantor assesses the draft projects, makes a decision and announces the results of the public tender in research, development and innovation. It shall start on the day following the tender deadline and shall end on the day when the results of the public tender in research, development and innovation are announced. The length of the period to the evaluation deadline shall be 180 calendar days at most for one-level and 240 calendar days for two-level public tenders in research, development and innovation.

Section 21

Accepting and Evaluating Draft Projects

(1) The grantor shall appoint a commission to accept draft projects. The composition of the commission, the method it adopts to handle the data contained in the draft projects and other rules regulating the commission's activities shall be established by the grantor. Commission members may not have any connection to the subject of the public tender in research, development and innovation or any bias towards the applicants and in particular they may not contribute to drawing up the project, may not have any personal interest in the Decision on the Provision of Support for a particular project and may not have any personal, professional or other relationship with the applicants.

(2) The Commission to accept draft projects shall evaluate compliance with the terms and conditions of the public tender in research, development and innovation in accordance with Section 17 paragraph 2 (b), (d) and (f) and compliance with the terms and

conditions of the public tender in research, development and innovation for the acceptance of draft projects in accordance with Section 17 paragraph 5 and shall draw up a protocol that contains in particular the list of recommended draft projects, information concerning their submission within the tender deadline, the completeness of the draft projects and concerning draft projects that do not comply with these terms and conditions, providing reasons for their exclusion. The protocol shall also contain information on draft projects received after the tender deadline, including the date of their receipt.

(3) A draft project submitted in breach of the terms and conditions set forth in paragraph 2 shall not be accepted by the public tender in research, development and innovation and evaluated in accordance with paragraphs 4 to 9. The grantor shall decide to accept or to reject draft projects in the public tender in research, development and innovation.

(4) The grantor shall establish an Expert Advisory Body to evaluate draft projects accepted by the public tender in research, development and innovation. The composition of this department or advisory body, its method of handling the information contained in the draft projects and other rules governing its activities shall be provided for by the grantor through internal regulations that will be published at the latest during the announcement of the public tender in research, development and innovation. The provisions of paragraph 1 sentence 3 concerning bias apply in the same way to members of the Expert Advisory Body.

(5) The grantor shall ensure that each draft project receive the opinions of at least 2 opponents as a basis for the assessment of the project by the Expert Advisory Body, with the exception of cases where it decides, on the basis of a justified recommendation by the Expert Advisory Body, that the draft project will not undergo any further evaluation for fundamental reasons and will be removed from the public tender in research and development. The provisions of paragraph 1 sentence 3 concerning bias shall be applied to the opponents in the same way. The grantor shall be responsible for the method of handling the information contained in the draft projects.

(6) Excepting the provisions of paragraph 5, the Expert Advisory Body shall guarantee an objective and unbiased evaluation of draft projects in accordance with the rules and criteria announced in the public tender in research, development and innovation, taking into account the opinions of the opponents. The Expert Advisory Body shall draw up a protocol listing the results of the evaluation of each draft project.

(7) Protocols on the evaluation of draft projects and a final proposal, showing the ranking of all the draft projects in the public tender in research, development and innovation shall be delivered by the Expert Advisory Body to the grantor, which shall be obliged to make a decision concerning the selection of draft projects and to publish the results of the public tender in research, development and

innovation by the scheduled deadline for project evaluation. The grantor may decide contrary to the recommendation given by the Expert Advisory Body, provided that the grantor explains such a decision in writing in the protocol and publishes such decision on the Internet. The grantor shall enable the applicants to obtain the results of the evaluation of their draft projects in the public tender in research, development and innovation, including the reasoning and shall provide the opinions of the opponents on their projects without disclosing the personal data of the opponents.

(8) The draft project must not be modified during the course of the public tender in research, development and innovation, with the exception of the completion of a draft project for the second level of a two-level public tender in research, development and innovation. It shall not be considered a modification if the grantor does not accept a certain portion of the total project costs proposed by the applicant and does not include such costs among the allowable project costs or reduces, by virtue of this Act, the authorised total amount of support from public funds. A reduction in the proposed total project costs or the amount of support covered by public funds shall be included in the protocol in accordance with paragraphs 6 and 7.

(9) The evaluation of the draft grant projects shall be performed by the appropriate commissions of the Grant Agency of the Czech Republic in accordance with paragraphs 1 to 8.

(10) The Code of Administration Procedure²⁹⁾ shall not apply to decision-making pursuant to paragraphs 3 and 7.

Section 22

Two-level Public Tender in Research, Development and Innovation

(1) The grantor may only announce a two-level public tender in research, development and innovation in accordance with this Act if it is essential or useful to separate the evaluation of the effectiveness of the proposed solution and to compare it with the declared goals and terms and conditions of the programme (first level) and the evaluation of the professional standard and feasibility of the draft project (second level), or in the event that it is necessary to clarify the method of achieving the announced goals and the terms and conditions of the programme.

(2) The grantor shall be obliged to provide information on the publication of a two-level public tender in research, development and innovation when preparing the approving the relevant programme and when announcing the public tender in research, development and innovation, together with the terms and conditions of the tender as set forth in Section 17 paragraph 2.

(3) When announcing a two-level public tender in research, development and innovation, the grantor shall establish, in addition to the terms and conditions set forth in Section 17 paragraph 2

²⁹⁾ Act no. 71/1967 Coll., on administrative procedure (the Administrative Code), as amended.

a) the tender deadline, the method of evaluating draft projects and the manner of announcement of the results of the first level of the public tender in research, development and innovation to the applicants, as well as the time and place of publication of tender documentation for the second level of the public tender in research, development and innovation,

b) the deadline for and method of evaluating draft projects in the second level of public tenders in research, development and innovation.

(4) The provisions of Section 21 shall similarly apply to the acceptance and evaluation of draft projects in the first level of a public tender in research, development and innovation, and the Expert Advisory Body shall submit to the grantor the protocols on the evaluation of draft projects and the final proposal listing the sequence of all draft projects evaluated within the first level of the public tender in research, development and innovation, after which the grantor shall decide whether to accept the draft project and to transfer it to the second level of the tender.

(5) Only those draft projects that have been evaluated and approved at the first level of the public tender in research, development and innovation, in accordance with the published terms and conditions and rules laid down herein, and which meet the conditions specified for the second level of the public tender in research, development and innovation may be transferred to the second level of the public tender in research, development and innovation. The provisions of Section 21 paragraphs 1 to 4 and 6 to 10 shall apply similarly to the acceptance and evaluation of draft projects at the second level of the public tender in research, development and innovation, including the process adopted by the grantor in deciding on the selection of draft projects and the publication of the results of the public tender in research, development and innovation.

(6) The grantor shall be entitled to require a selected applicant to complete the draft project for the second level of the public tender in research, development and innovation to comply more precisely with the conditions announced and to provide additional information, particularly as regards the project costs, its time frame and the utilisation of the results. In the draft project, the project goals may not be modified between the first and second levels of the public tender in research, development and innovation.

(7) The grantor shall establish the method of completing the draft project and the conditions for its submission in the tender documentation for the second level.

(8) The Code of Administrative Procedure²⁹) shall not apply to the decision-making process pursuant to paragraphs 4 and 5.

Section 23

Organisation of a Public Tender in R&D and Innovation

(1) The grantor shall be responsible for organising the public tender in research, development and innovation in

accordance with this Act. Through a public selection procedure²⁾ the grantor may select a legal entity and conclude an Agreement on Assistance in Organising a Public Tender in Research, Development and Innovation with the same.

(2) The legal entity with which the grantor has entered into an Agreement pursuant to paragraph 1, shall be excluded from participating in the tender, may not participate in the preparation of any draft project and may not have any demonstrable personal interest in the result of the evaluation of the draft project.

Section 24

Cancellation of a Public Tender in R&D and Innovation

(1) The grantor may cancel a public tender in research, development and innovation

- a) If no draft projects were submitted,
- b) If a material change has occurred in the circumstances under which the public tender in research, development and innovation was announced which was neither foreseen by the grantor nor caused by the grantor, or if the reasons for performing the subject of the public tender in research, development and innovation have ceased to exist, or
- c) With regard to two-level public tenders in research, development and innovation, also in the event that no draft project proceeds to the second level of the public tender in research, development and innovation.

(2) The grantor may cancel a public tender in research, development and innovation if the announced public tender in research, development and innovation or the tender documentation thereof are in breach of this Act, or a programme approved by the Government or as a result of a judgement issued by the European Commission.

(3) A material change in circumstances as set forth in paragraph 1 (b) shall also be deemed to be a level of reduction in the level of targeted expenditure on research, development and innovation in the grantor's budget chapter that prevents the funding of newly initiated projects given that priority will be given for support of projects that are already under way.

(4) The grantor shall immediately publish any decision to cancel a public tender in research, development and innovation in the same way and in the same place as the announcement of the same public tender was published. If the public tender in research, development and innovation is cancelled for one of the reasons set forth in paragraph 1, applicants may not claim compensation for any costs incurred.

(5) Applicants may withdraw from a public tender in research, development and innovation at any time, provided they inform the grantor of this fact.

Section 25

Deadline for Entering into a Contract or Issuing a Decision on the Provision of Support

(1) The deadline for concluding a Contract on the

Provision of Support or issuing a Decision on the Provision of Support pursuant to Section 9 shall be set at a maximum of 60 calendar days

- a) from the date on which the Act on the State Budget of the Czech Republic enters into force for the particular year during which the project is to commence and the support for the project is to be provided under special legal regulations⁸⁾, if the result of the public tender in research, development and innovation was announced prior to its adoption, or,
- b) from the date on which the results of the public tender in research, development and innovation were announced, if the results of this tender were announced after the date on which the Act on the State Budget of the Czech Republic entered into force for the particular year during which the project is to commence and the support for the project is to be provided under special legal regulations⁸⁾.

(2) Failure to observe the deadline for entering into a Contract on the Provision of Support or the conditions for issuing the relevant Decision on the Provision of Support pursuant to Section 9 due to the fault of the receiver gives the grantor the right to conclude a Contract on the Provision of Support with another applicant following the order ensuing from the results of the public tender in research, development and innovation, or to issue a Decision on the Provision of Support in favour of this applicant.

(3) Failure to observe the deadline for entering into a Contract on the Provision of Support or the conditions for issuing a Decision on the Provision of Support pursuant to Section 9 due to the fault of the grantor, entitles the receiver to claim compensation from the grantor's budget corresponding to the planned project costs from the date performance of the project *commenced* as approved in the draft project, to the date the Contract on the Provision of Support was concluded or the Decision on the Provision of Support came into effect.

Section 26

Record Keeping

(1) Documents relating to the public tender in research, development and innovation, including all draft projects accepted, shall be kept by the grantor for at least 10 years from the announcement of the public tender in research, development and innovation.

(2) The grantor shall be obliged to keep documents relating to every case where support was provided for a period of at least 10 years from the date the support was provided.

Sections 27 to 29 repealed

TITLE VII

PROVIDING INFORMATION ON RESEARCH, DEVELOPMENT AND INNOVATION

Section 30

Research, Development and Innovation Information System

(1) The Research, Development and Innovation Information System is a public administration information system³¹⁾ ensuring the collection, processing, distribution and utilisation of data on research, development and innovation supported from public funds, as well as other information, under the conditions set forth in this Act. It consists of four mutually linked sections, these being a central register of projects, a central register of research, development and innovation activities, an index of information concerning project results and records of public tenders in research, development and innovation. Information from these four sections of the Research, Development and Innovation Information System are used by the operator to achieve the goals set forth in paragraph 2.

(2) The purpose of the Research, Development and Innovation Information System is to provide information on research, development and innovation supported from public funds to the general public and grantors, with the goal of

- a) informing the public and applicants of the announcement of public tenders in research, development and innovation and of their results,
- b) informing the public of research, development and innovation projects and activities supported by public funds and of their results,
- c) informing other bodies and persons subject to special legal regulations³²⁾ or to international treaties,
- d) monitoring the provision and use of targeted or institutional support,
- e) preparing the draft State budget and ensuring other activities carried out by grantors or research, development and innovation bodies that are subject to special legal regulations³⁾ in accordance with this Act,
- f) evaluating the results of research organisations and programmes and providing information to the Government and to the general public.

(3) The operator and administrator of the data entries and codes of the Research, Development and Innovation Information System (hereinafter referred to as the "Operator") shall propose the selection of technical and programming tools and other products required for the operation of the Research, Development and Innovation Information System, its coding and data elements, the method of monitoring the accuracy of the information and the links between it and

³¹⁾ Act no. 365/2000 Coll., on public administration information systems and on an amendment to certain other Acts.

³²⁾ Such as Act no. 123/1998 Coll., on the right to information concerning the environment, as amended.

the conceptual intent of the Research, Development and Innovation Information System, after discussions with the grantor, and the administrator of the Research, Development and Innovation Information System shall approve the same.

Section 31

Rights and Obligations with respect to the Delivery and Provision of Data to the Research, Development and Innovation Information System

(1) The provision of support in a given calendar year shall be conditional upon the grantor's delivery of research, development and innovation projects and activities and their input into the Research, Development and Innovation Information System by the operator in compliance with the conditions specified by the administrator, in accordance with the provisions of Section 30 paragraph 3.

(2) At least 15 days prior to the announcement of a public tender in research, development and innovation, the grantor shall provide the operator with information concerning this public tender as a record of the public tender in research, development and innovation. Within 50 days of the termination date of the public tender in research, development and innovation, the grantor shall provide the operator with information concerning the evaluation of this public tender. The procedure followed by the grantor in delivering the information concerning announced public tenders in research, development and innovation and their evaluation is provided for in an implementing legal regulation.

(3) The receiver shall be obliged to deliver information concerning projects and their results, research, development and innovation activities and the results of research organisations that have received support to the grantor in the form and by the deadlines established by the grantor in accordance with paragraphs 4 to 6. The research organisation may deliver information concerning other results it has achieved over the past 5 years in the same form and by the same deadlines. The procedure followed by the receiver in delivering the information concerning research, development and innovation projects and activities and their results to the grantor is provided for in an implementing legal regulation.

(4) The grantor shall deliver to the operator the relevant information concerning research, development and innovation projects or activities supported from its budget chapters within 50 calendar days

- a) from the beginning of the calendar year with respect to projects or research, development and innovation activities commenced during previous years and being performed in the given year, or
- b) from the date on which the Contract on the Provision of Support comes into effect or from the date on which the Decision on the Provision of Support becomes enforceable with regard to newly launched projects of research, development and innovation activities.

(5) If any modification of the information delivered in accordance with paragraph 4 occurs during the calendar year, the grantor shall deliver to the operator new information concerning the research, development and innovation projects and activities being performed within 30 calendar days from the date when the modification occurred or was reported to the grantor.

(6) The grantor shall deliver to the operator information concerning the results of projects and the results of research organisations supported by its budget chapters, including information concerning its publication and information concerning its protection in accordance with special legal regulations or the implementation thereof (hereinafter referred to as the "application"), within 150 calendar days from the beginning of the year at the latest, similar information concerning project results within 250 calendar days from the date the support was terminated at the latest, with the exception of information concerning the results of projects that received support in accordance with Section 3 paragraph 2 (a), in which case the deadline for delivering the same to the operator is 730 days. The grantor shall also deliver to the Research, Development and Innovation Information System information concerning other results produced by research organisations during the course of the past 5 years.

(7) The procedure followed by the grantor to deliver information concerning the projects and their results, research, development and innovation activities and the results of research organisations to the operator in accordance with paragraphs 4 to 6 are provided for in an implementing legal regulation.

(8) The operator shall input into the Research, Development and Innovation Information System information presented by the grantor which complies with the requirements set forth in this Act and informs the grantor thereof by the following deadlines following receipt of the information

- a) with respect to information concerning public tenders in research, development and innovation, information concerning projects or research, development and innovation activities, within of 10 calendar days,
- b) with respect to information concerning the results of projects and the results of research organisations, within 60 calendar days.

(9) The information shall only be deemed to have been included when the operator confirms that it has been input into the Research, Development and Innovation Information System after having checked that the information is complete. The procedure for inputting information delivered by the grantor into the Research, Development and Innovation Information System in accordance with paragraph 8 is provided for in an implementing legal regulation.

(10) The operator shall be obliged to check compliance between the information provided by various grantors, including checking its compliance with the information input in previous years at the latest within 90

calendar days from the beginning of the calendar year following the year when the information was input into the Research, Development and Innovation Information System.

Should any discrepancy be discovered in the data or should any change be made to the codes or data entries of the Research, Development and Innovation Information System pursuant to Section 30 paragraph 3, as a result of an amendment to special legal regulations, the operator shall be authorised to require that the grantor amend the information delivered in accordance with the provisions of Section 12 and Section 31 paragraph 5.

(11) The operator shall provide from the Research, Development and Innovation Information System

- a) to the general public, any data from the Research, Development and Innovation Information System that is not protected in accordance with special legal regulations²²⁾ in such a way as to enable remote access,
- b) to the grantor, on the basis of a written request, any data from the Research, Development and Innovation Information System that was provided by that grantor,
- c) to the receiver, on the basis of a written request, any data from the Research, Development and Innovation Information System that is protected in accordance with special legal regulations²²⁾ that concerns its projects and the results achieved by it,
- d) to the administrator, any data from the Research, Development and Innovation Information System,
- e) to other bodies and entities referred to in special legal regulations) or international treaties binding the Czech Republic, the information referred to in these regulations or treaties.

(12) The method and deadlines for providing information from the Research, Development and Innovation Information System are provided for in an implementing legal regulation.

Section 32

Contents of the Research, Development and Innovation Information System

(1) The Central Register of Projects shall contain in particular information describing the project, the name and scope of the project, its receiver, the Project Manager, any co-receivers of the project and the person responsible to the co-receiver for performance of the project, the duration of the project, a breakdown of total project costs, the amount of support, with details of expenditure from the State budget, the level of confidentiality of the data and, after completion of the project, its evaluation by the grantor. The data to be contained in the Central Register of Projects is provided for in an implementing legal regulation.

(2) The Central Register of Research, Development

and Innovation activities shall contain information concerning

- a) the receiver and the level of support for
 1. specific university research, in accordance with Section 3 paragraph 2 (c),
 2. research organisations according to an evaluation of the results they have already achieved, in accordance with Section 3 paragraph 3 (a),
 3. international cooperation by the Czech Republic in research and development in accordance with Section 3 paragraph 3 (b),
- b) grantors and the level of support for the programmes referred to in Section 2 paragraph 2 (h) as well as information concerning
 1. the programme name, its goals and duration,
 2. the approved level of support for the implementation of the programme, as a whole and broken down by individual years of the project,
 3. approval by the Government or a representative of a territorial self-governing entity,
 4. results of an assessment by the European Commission, if the programme has been reported to the European Commission,
 5. the method of publishing the final version of the programme,
- c) grantors and the level of support paid for
 1. groups of grant projects in accordance with Section 3 paragraph 2 (a),
 2. organising public tenders in research, development and innovation or for issuing public contracts in accordance with Section 3 paragraph 3 (d),
 3. financial rewards for exceptional results in research, development and innovation, or financial rewards for the promotion or popularisation of research, development and innovation pursuant to Section 3 paragraph 3 (e),
 4. costs associated with the activities of the Council for Research, Development and Innovation, the Grant Agency of the Czech Republic, the Technological Agency of the Czech Republic and the Academy of Sciences of the Czech Republic pursuant to Section 3 paragraph 3 (f).

The data contained in the Central Register of Research, Development and Innovation Activities is provided for in an implementing legal regulation.

(3) The index of information concerning results contains in particular information describing results and projects whose performance produced the results or the source of the funds used to support it, the receiver, the author of the results, the type of result, the name and a description of the result, the year the results were applied and the level of confidentiality of the data. The data to be contained in the Index of Results is provided for in an implementing legal regulation.

(4) Records of public tenders in research, development and innovation contain in particular information concerning the conditions of public tenders in research, development and innovation in accordance with Section 17 and information concerning their evaluation in accordance with Section 31. The data to be contained in the Records of public tenders in research, development and innovation is provided for in an implementing legal regulation.

(5) The only personal data that may be entered in the Research, Development and Innovation Information System are the name, surname, birth number and any academic titles or scientific qualifications of the Project Manager or other natural persons contributing to the project or the authors of its results. If the Project Manager or another natural person has no birth number allocated, the system shall contain the name, surname, nationality and an identification code allocated by the Research, Development and Innovation Information System administrator, along with any academic titles and scientific qualifications pertaining to the Project Manager and other staff participating in the project or the authors of its results.

TITLE VIII

RESEARCH AND DEVELOPMENT AUTHORITIES

Section 33

Central Administrative Authority responsible for Research and Development

(1) The central administrative authority responsible for research and development is the Ministry of Education, Youth and Sports, with the exception of areas that are covered by the Council for Research, Development and Innovation in accordance with Section 35.

(2) The Ministry of Education, Youth and Sports is responsible for

- a) the international cooperation of the Czech Republic in research and development, including negotiations with bodies and institutions of the European Community and the individual Member States of the European Community having authority over research and development and including the use of financing for research and development from European Union funds,
- b) conceptual support for major infrastructure,
- c) specific university research,
- d) the performance of the administrative functions of the central administrative authority for research and development in accordance with special legal regulations^{32a)}.

(3) The Ministry of Education, Youth and Sports shall submit a report on the performance and results of cooperation in international bodies and organisations for discussion with the Government Council for Research, Development and Innovation and shall publish this report after discussions with the Government.

Section 34

Central and Other Administrative Authorities Responsible for Research and Development within the Scope of their Powers

(1) Central and other administrative authorities, including the Ministry of Education, Youth and Sports, which are authorised to provide support from the budget chapters pursuant to Section 4, shall be particularly responsible within the scope of their powers for

- a) the preparation of research, development and innovation concepts and their implementation,
- b) the preparation and implementation of programmes within the scope of authority of the grantor and other research, development and innovation activities,
- c) public tenders in research, development and innovation announced in accordance with this Act and the issuance of public contracts pursuant to a special legal regulation) and for the provision of targeted support from their budgetary chapters,
- d) monitoring the utilisation of targeted or institutional support provided from their budgetary chapters, meeting goals where these have been set and evaluating the results achieved.

(2) Central and other administrative authorities, which under the terms of the Act on the State budget of the Czech Republic do not provide support from their budgetary chapters in accordance with Section 4, ensure, within the scope of their powers, the preparation of programmes that are implemented by the Technological Agency of the Czech Republic.

Section 35

Council for Research, Development and Innovation

(1) The Council for Research, Development and Innovation is an expert and advisory Government body for the area of research, development and innovation.

(2) The Council for Research, Development and Innovation carries out tasks in accordance with this Act and, in particular, ensures

- a) the preparation of the National Research & Development and Innovation Policy of the Czech Republic in cooperation with the Ministry of Education, Youth and Sports in compliance with international treaties, and its submission to the Government,
- b) monitoring of the National Research & Development and Innovation Policy of the Czech Republic by issuing opinions on the compliance of research and development programmes submitted by grantors with the National Research & Development and Innovation Policy of the Czech Republic before the Government approves these programmes,

^{32a)} Act no. 341/2005 Coll., on public research institutions, as amended.

Act no. 227/2006 Coll., on research on embryonic stem cells and related activities and on the amendment to certain related Acts.
Act no. 326/1999 Coll., on the residence of aliens on the territory of the Czech Republic and on the amendment to certain other Acts, as amended.

- c) the preparation of the Procedures for evaluating the results of research organisations and the results of completed programmes and its submission to the Government,
- d) the evaluation of the results of research organisations and the results of completed programmes in accordance with the Procedures for evaluating the results of research organisations and the results of completed programmes approved by the Government,
- e) issuing proposals for Members of the Board and the Chairperson of the Technological Agency of the Czech Republic and the Grant Agency of the Czech Republic,
- f) the drawing up of priorities for applied research, development and innovation in the Czech Republic,
- g) the drafting of regular annual analyses and evaluations of the state of research, development and innovation in the Czech Republic and its comparison with the situation abroad, and their submission to the Government,
- h) the role of administrator and operator of the Research, Development and Innovation Information System in accordance with Section 30 and approves the operating procedure of the Research, Development and Innovation Information System,
- i) the drafting of opinions on materials submitted to the Government in the area of research, development and innovation,
- j) discussions with advisory bodies for research, development and innovation for the European Community and with councils for research, development and innovation from the individual Member States of the European Community and from other countries,
- k) the preparation of medium-term proposals for support for research, development and innovation,
- l) proposals for total expenditure on research, development and innovation from individual budgetary chapters and proposals for its allocation in accordance with Section 5a,
- m) the drafting of opinions on applications for a licence to conduct research on human embryonic stem cells or on applications for changes to this licence, or on applications to import human embryonic stem cells on the basis of proposals from its advisory body, this being the Bioethical Commission,
- n) the performance of other tasks and obligations stipulated in this Act, a special legal regulation or

assigned by the Government.

(3) The Council for Research, Development and Innovation has 17 members, including the chairperson. Members of the Council for Research, Development and Innovation, with the exception of its chairperson, are nominated by the Government on the basis of proposals by the chairperson of the Council for Research, Development and Innovation in order to ensure representation by top experts in basic research and applied research, development and innovation.

(4) Members of the Council for Research, Development and Innovation, with the exception of its chairperson, may be removed from office by the Government on a proposal from the chairperson of the Council for Research, Development and Innovation. A member of the Council for Research, Development and Innovation may request that the chairperson of the Council for Research, Development and Innovation submit a proposal to the Government to remove him/her from this function. The member will remain in the Council for Research, Development and Innovation until the Government decides on the proposal for his/her removal.

(5) The bodies of the Council for Research, Development and Innovation are the chairperson and the Board. The chairperson of the Council for Research, Development and Innovation shall be a member of the Government. The chairperson of the Council for Research, Development and Innovation shall be appointed and removed on the basis of a proposal by the Prime Minister. The Board of the Council for Research, Development and Innovation shall consist of the chairperson of the Council for Research, Development and Innovation and three vice-chairpersons elected from among the members of the Council for Research, Development and Innovation. The Board shall manage the activities of the Council for Research, Development and Innovation in between their sessions and coordinate the activity of the advisory bodies to the Council for Research, Development and Innovation.

(6) Membership of the Council for Research, Development and Innovation shall be a public office, which does not give rise to any labour-law relationship) to the Czech Republic. The execution of this public office shall be remunerated by an amount to be specified by the Government and travel expenses shall be reimbursed, to a level and under the conditions set forth in the Labour Code). Members of the Council for Research, Development and Innovation shall hold office for a period of four years. A member of the Council for Research, Development and Innovation may only be appointed for two consecutive periods of office.

³³⁾ Section 3, second sentence of the Labour Code.

³⁴⁾ Part Seven of the Labour Code.

(7) The Council for Research, Development and Innovation elects the following as its expert and advisory bodies

- a) an expert commission to draft priorities for applied research, development and innovation in the Czech Republic in individual areas of applied research, development and innovation,
- b) a Commission to evaluate the results of research organisations and completed programmes,
- c) a Bioethical Commission, which shall prepare materials to resolve tasks allocated to the Council for Research, Development and Innovation associated with the bioethical aspects of research and development, particularly proposals for expert opinions from the Council for Research, Development and Innovation in response to applications for licences to carry out research on human embryonic stem cells or to applications to amend these licences, or to applications for the import of human embryonic stem cells. The chairperson of the Bioethical Commission is a member of the Council for Research, Development and Innovation.

(8) Membership of the expert and advisory bodies of the Council for Research, Development and Innovation does not give rise to any labour-law relationship) with the Czech Republic. The execution of this public office shall be remunerated by an amount to be specified by the Government and travel expenses shall be reimbursed, to a level and under the conditions set forth in the Labour Code³⁴).

(9) Members of the expert and advisory bodies of the Council for Research, Development and Innovation are selected from among the top experts for a given area of research, development and innovation and are appointed and on the basis of a proposal by the Council for Research, Development and Innovation are removed by their chairperson.

Section 36

Grant Agency of the Czech Republic

(1) The Grant Agency of the Czech Republic is an organisational body of the State and administrator of a budget chapter. The Grant Agency of the Czech Republic is an independent accounting entity and independently manages targeted and institutional resources allocated by the Act on the State Budget of the Czech Republic. The Grant Agency of the Czech Republic is based in Prague.

(2) The Grant Agency of the Czech Republic shall ensure

- a) the preparation and implementation of groups of grant projects and other activities in the field of basic research, including holding public tenders in

research, development and innovation to support grant projects,

- b) the evaluation and selection of draft grant projects,
- c) the provision of targeted support for grant projects on the basis of Contracts on the Provision of Support or Decisions on the Provision of Support,
- d) the monitoring of performance of Contracts on the Provision of Support or Decisions on the Provision of Support and the drawdown of targeted support,
- e) the evaluation and monitoring of the implementation of grant projects and the achievement of their goals and the monitoring of results already achieved,
- f) the processing of the estimated expenditure of the Grant Agency of the Czech Republic and the publication of a report on its activities,
- g) discussions with the appropriate bodies of the Czech Republic or the European Union on the subject of assessing the compatibility of the provision of support with the common market,
- h) cooperation with similar foreign agencies.

(3) The bodies of the Grant Agency of the Czech Republic are the chairperson, the board, the scientific council and the auditing board of the Grant Agency of the Czech Republic. The functions of the chairperson, members of the board and members of the scientific council of the Grant Agency of the Czech Republic are public offices and do not give rise to any labour-law relationship) to the Czech Republic. A salary does *pertain* to this public office, the amount of which shall be specified by the Government and travel expenses, which are reimbursed to a level and under the conditions set forth in the Labour Code).

(4) The chairperson of the Grant Agency of the Czech Republic represents the Grant Agency of the Czech Republic in public and acts in its name in all matters related to it. The chairperson of the Grant Agency of the Czech Republic shall be appointed from among the members of the board of the Grant Agency of the Czech Republic and is removed on the basis of a proposal from the Council for Research, Development and Innovation by the Government.

(5) The board of the Grant Agency of the Czech Republic is the executive body of the Grant Agency of the Czech Republic, which approves the publication of public tenders in research, development and innovation, makes decisions on the conclusion of Contracts on the Provision of Support or on the issue of Decisions on the Provision of Support, submits the draft statute of the Grant Agency of the Czech Republic and its amendments to the Government for approval and presents the draft budget of the Grant Agency of the Czech Republic. The board of the Grant Agency of the Czech Republic consists of five members. The period of office for members of the board of the Grant Agency of the Czech Republic is four years and members can be nominated for a maximum of two consecutive periods. The members of the board of the Grant Agency of the Czech Republic are appointed and removed by the Government on the basis of a proposal from the Council for Research, Development and Innovation. The

board of the Grant Agency of the Czech Republic coordinates the activities of the ministerial commissions as advisory bodies of the Grant Agency of the Czech Republic, which assess and evaluate draft grant projects that are applying for support.

(6) The scientific council of the Grant Agency of the Czech Republic is a conceptual body of the Grant Agency of the Czech Republic, which proposes to the chairperson of the Grant Agency of the Czech Republic the establishment and focus of ministerial commissions, groups of grant projects and their focus, evaluates the level of scientific expertise of the Grant Agency of the Czech Republic and proposes measures that are required. The scientific council of the Grant Agency of the Czech Republic consists of twelve members, who are appointed from a number of experts and removed by the Government on the basis of a proposal from the Council for Research, Development and Innovation.

(7) The auditing board of the Grant Agency of the Czech Republic is a monitoring body of the Grant Agency of the Czech Republic, monitoring the allocation of finances from the Grant Agency of the Czech Republic and the handling of State assets over which the Grant Agency of the Czech Republic has jurisdiction, discusses complaints concerning the approach adopted by the grantor in evaluating draft grant projects, and submits opinions to the chairperson of the Grant Agency of the Czech Republic. The opinions that are submitted within the framework of the competence of the auditing board of the Grant Agency of the Czech Republic are binding on the board of the Grant Agency of the Czech Republic. The auditing board of the Grant Agency of the Czech Republic consists of ten members who are appointed from a number of experts by the Chamber of Deputies on the basis of a proposal by legal entities dealing with research and development issues. The period of office of members of the auditing board of the Grant Agency of the Czech Republic is four years and members can be appointed for a maximum of two consecutive periods. The auditing board of the Grant Agency of the Czech Republic submits an annual report documenting its activities to the Chamber of Deputies. The Chamber of Deputies may remove the auditing board of the Grant Agency of the Czech Republic if it repeatedly fails to approve the annual report. Members of the auditing board of the Grant Agency of the Czech Republic may be remunerated for the performance of their office. The amount of this remuneration shall be decided by the Chamber of Deputies on the basis of a report on the activities of the auditing board of the Grant Agency of the Czech Republic.

Section 36a

Technological Agency of the Czech Republic

(1) A Technological Agency of the Czech Republic shall be established and based in Prague.

(2) The Technological Agency of the Czech Republic shall be an organisational body of the State and administrator of a budget chapter. The Technological

Agency of the Czech Republic shall be an independent accounting entity and independently manage targeted and institutional resources allocated by the Act on the State Budget of the Czech Republic. The Technological Agency of the Czech Republic shall be obliged to submit accounts that have been checked by an auditor.

(3) The Technological Agency of the Czech Republic shall ensure:

- a) the preparation and implementation of programmes of applied research, development and innovation including programmes to serve the needs of the public administration, public tenders in research, development and innovation and the issuance of public contracts,
- b) the evaluation and selection of draft programme projects,
- c) the provision of targeted support for programme projects on the basis of Contracts on the Provision of Support or Decisions on the Provision of Support,
- d) the monitoring of performance of Contracts on the Provision of Support or Decisions on the Provision of Support and the drawdown of targeted support,
- e) the evaluation and monitoring of the implementation of programme projects and the achievement of their goals and the monitoring of results already achieved,
- f) the processing of the estimated expenditure of the Technological Agency of the Czech Republic and the publication of a report on its activities,
- g) advisory services to Project Managers and users of the results of applied research, development and innovation, particularly in the area of legal and financial advice and as concerns the protection of intellectual property rights,
- h) support for communication between research organisations and the private sector and the co-financing of programme projects,
- i) discussions with the appropriate bodies of the Czech Republic or the European Union on the subject of assessing the compatibility of the provision of support with the common market,
- j) cooperation with similar foreign agencies.

(4) The bodies of the Technological Agency of the Czech Republic are the chairperson, the board, the scientific council and the auditing board of the Technological Agency of the Czech Republic. The functions of the chairperson, members of the board and members of the scientific council of the Grant Agency of the Czech Republic are public offices and do not give rise to any labour-law relationship³³⁾ with the Czech Republic. A salary does pertain to this public office, the amount of which shall be specified by the Government and travel expenses, which are reimbursed to a level and under the conditions set forth in the Labour Code).

(5) The chairperson of the Technological Agency of the Czech Republic represents the Technological Agency

of the Czech Republic in public and acts in its name in all matters related to it. The chairperson of the Technological Agency of the Czech Republic shall be appointed from among the members of the board of the Technological Agency of the Czech Republic and is removed on the basis of a proposal from the Council for Research, Development and Innovation by the Government.

(6) The board of the Technological Agency of the Czech Republic is the executive body of the Technological Agency of the Czech Republic, which approves the publication of public tenders in research, development and innovation, makes decisions on the conclusion of Contracts on the Provision of Support or on the issue of Decisions on the Provision of Support, submits the draft statute of the Technological Agency of the Czech Republic and its amendments to the Government for approval and presents the draft budget of the Technological Agency of the Czech Republic. The board of the Technological Agency of the Czech Republic consists of five members. The period of office for members of the board of the Technological Agency of the Czech Republic is four years and members can be nominated for a maximum of two consecutive periods. The members of the board of the Technological Agency of the Czech Republic are appointed and removed by the Government on the basis of a proposal from the Council for Research, Development and Innovation. The board of the Technological Agency of the Czech Republic coordinates the activities of the ministerial commissions as advisory bodies of the Technological Agency of the Czech Republic, which assess and evaluate draft grant projects that are applying for support.

(7) The scientific council of the Technological Agency of the Czech Republic is a conceptual body of the Technological Agency of the Czech Republic, which proposes to the chairperson of the Technological Agency of the Czech Republic the establishment and focus of ministerial commissions, comments on programmes of applied research, development and innovation, evaluates the level of scientific expertise of the Technological Agency of the Czech Republic and proposes measures that are required. The scientific council of the Technological Agency of the Czech Republic consists of twelve members, who are appointed from a number of experts and removed by the Government on the basis of a proposal from the Council for Research, Development and Innovation.

(8) The auditing board of the Technological Agency of the Czech Republic is a monitoring body of the Technological Agency of the Czech Republic, monitoring the allocation of finances from the Technological Agency of the Czech Republic and the handling of State assets over which the Technological Agency of the Czech Republic has jurisdiction, discusses complaints concerning the approach

adopted by the grantor in evaluating draft grant projects, and submits opinions to the board of the Technological Agency of the Czech Republic. The auditing board of the Technological Agency of the Czech Republic is authorised to conduct an independent audit when monitoring the allocation of funds. The opinions that are submitted within the framework of the competence of the auditing board of the Technological Agency of the Czech Republic are binding on the board of the Technological Agency of the Czech Republic. The auditing board of the Technological Agency of the Czech Republic consists of ten members who are appointed from a number of experts by the Chamber of Deputies on the basis of a proposal by legal entities dealing with research and development issues. The period of office of members of the auditing board of the Technological Agency of the Czech Republic is four years and members can be appointed for a maximum of two consecutive periods. The auditing board of the Technological Agency of the Czech Republic submits an annual report documenting its activities to the Chamber of Deputies. The Chamber of Deputies may remove the auditing board of the Technological Agency of the Czech Republic if it repeatedly fails to approve the annual report. Members of the auditing board of the Technological Agency of the Czech Republic may be remunerated for the performance of their office. The amount of this remuneration shall be decided by the Chamber of Deputies on the basis of a report on the activities of the auditing board of the Technological Agency of the Czech Republic.

TITLE IX

TERRITORIAL SELF-GOVERNING ENTITIES

Section 37

Territorial self-governing entities shall proceed similarly in accordance with this Act and pursuant to the provisions of Sections 5 to 6 as appropriate; the provisions of Section 5 paragraph 2 third sentence and Section 5a paragraph 4 shall not apply.

TITLE X

TRANSITIONAL AND ENABLING PROVISIONS

Section 38

Transitional Provisions

(1) Legal relations in the area of research and development, which are regulated by this Act and which arose prior to the date of entry into force of this Act shall be governed by the previous legal regulations.

(2) For proposals for research objectives with a proposed *commencement* date after 1 January 2004, the grantor shall specify the requirements for submission of a research objective under Section 27 paragraph 1 within 30 calendar days from the date on which the Government Regulation on institutional support for research and development and the evaluation of research objectives under Section 39 comes into force. The applicants shall submit to the grantors proposed research objectives with a proposed *commencement* date after 1 January 2004 within 90 calendar days from the date on which the grantor specifies the conditions for the submissions of the research objectives.

(3) Members of the Supervisory Board of the Grant Agency of the Czech Republic elected prior to the date on which this Act comes into force, shall become members of the auditing board of the Grant Agency of the Czech Republic. The term of their office shall remain unaffected.

Section 39

The Government shall issue an order to implement Section 13 paragraph 4, Section 31 paragraphs 2, 3, 7, 9 and 12 and Section 32 paragraphs 1 to 4.

TITLE XI

JOINT AND REPEALING PROVISIONS

Section 40

Joint Provisions

If the provisions of any international treaty by which the Czech Republic is bound and which was adopted by the Parliament and published in the Collection of Laws or in the Collection of International Treaties, stipulate otherwise than in this Act, the provisions of the international treaty shall apply.

Section 41

Repealing Provisions

1. Act no. 300/1992 Coll., on state support of scientific research and technological development, and
2. Act no. 1/1995 Coll., amending and supplementing the Act of the Czech National Council no. 300/1992 Coll., on state support of scientific research and technological development shall be repealed.

Sections 42 and 43 are repealed

Section 44

These provisions were amended by another Act.

PART FIVE

ENTRY INTO FORCE

Section 45

- (1) This Act shall come into force on 1 July 2002.
- (2) The provisions of Section 4 paragraph 6 and Section 18 paragraph 9 (b) and (c) shall expire with effect from the date of entry into force of the Agreement on the Accession of the Czech Republic to the European Union.

1. Act no. 41/2004 Coll., amending other Acts in relation to the adoption of the Act on Public Procurement, entered into force on the first day of the third calendar month following its publication (1 May 2004).

2. Act no. 215/2004 Coll., amending certain relationships within the area of state aid and altering the Act on the promotion of research and development, entered into force on the day the Act on the Accession of the Czech Republic to the European Union entered into force (1 May 2004).

3. Act no. 342/2005 Coll., on the amendment to certain Acts in connection with the adoption of the Act on public research institutions, entered into force on the day of its publication (13 September 2005).

4. Act no. 413/2005 Coll., on the amendment to certain Acts in connection with the adoption of the Act on the protection of classified information and security clearance, entered into force on 1 January 2006.

5. Act no. 81/2006 Coll., amending Act no. 365/2000 Coll., on public administration information systems and on the amendment to certain other Acts, as amended, and other related Acts, entered into force on 1 January 2007.

6. Act no. 227/2006 Coll., on research on human embryonic stem cells and related activities and on amendment to some related Acts, entered into force on 1 June 2006.

7. Act no. 171/2007 Coll., amending Act no. 130/2002 Coll., on aid for research and development from public funds and on the amendment to certain related Acts (Act on aid for research and development), as amended, entered into force on the day it was published (12 July 2007).

8. Act no. 296/2007 Coll., amending Act no. 182/2006 Coll., on bankruptcy and its resolution (the Insolvency Act), as amended, and certain Acts in connection with its adoption, entered into force on 1 January 2008.

9. Act no. 124/2008 Coll., amending Act no. 269/1994 Coll., on the criminal register, as amended, and certain other Acts, entered into force on 1 July 2008.

10. Act no. 110/2009 Coll., amending Act no.
130/2002 Coll., on aid for research and development from

public funds and on an amendment to certain related Acts
(Act on Aid for Research and Development), as amended,
and other related Acts, entered into force on 1 July 2009.

Prime Minister: Ing. **Fischer** (in his hand)

