

# Regional analysis of selected forms of public support of entrepreneurial subjects in industry in the Czech Republic and their impact on regional development


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# Introduction

- change of the economic system in CR since 1989
- in 1st half of 1990s no interventions in economic competition
- 1996 – start of investment incentives
- 2nd half of 1990s opening of pre-entry European funds for Czech entrepreneurs
- 2004 – CR with its operational programmes entered the programme period (2000-2006) of the EU
- new programme period (2007-2013) of the EU



# Theoretical part

## Defining the concepts

- selective public support
- semi-selective public support
- blanket public support
  
- subsidy
- the system of investment incentives
- favourable credits and guarantees



# Theoretical part

## Data

- internet information portals of the providers of public support
  - the Ministry of Industry and Trade
  - the CzechInvest Agency
  - State Agricultural Intervention Fund
  - State Environment Fund
- web pages of individual regional offices
- the Czech Statistical Office publishes at the regional level



# Application part

## Sources of public co-financing in 2004 - 2008

- the Phare 2003 Technology (2004-2005)
- the Operational programme for Industry and enterprise (OPIE)
- the Joint regional Operational programme (JROP)
- the system of state investment incentives

# Application part

## Public support in regions

- data from OPIE
- granted subsidy was CZK 5.075 millions for investment projects
- highest number of applications
  - Jihomoravský region (211)
  - Středočeský region (186)
  - Moravsko-slezský region (170)
- lowest number of applications
  - Karlovarský region (41)
  - Liberecký region (56)
  - Ústecký region (74)

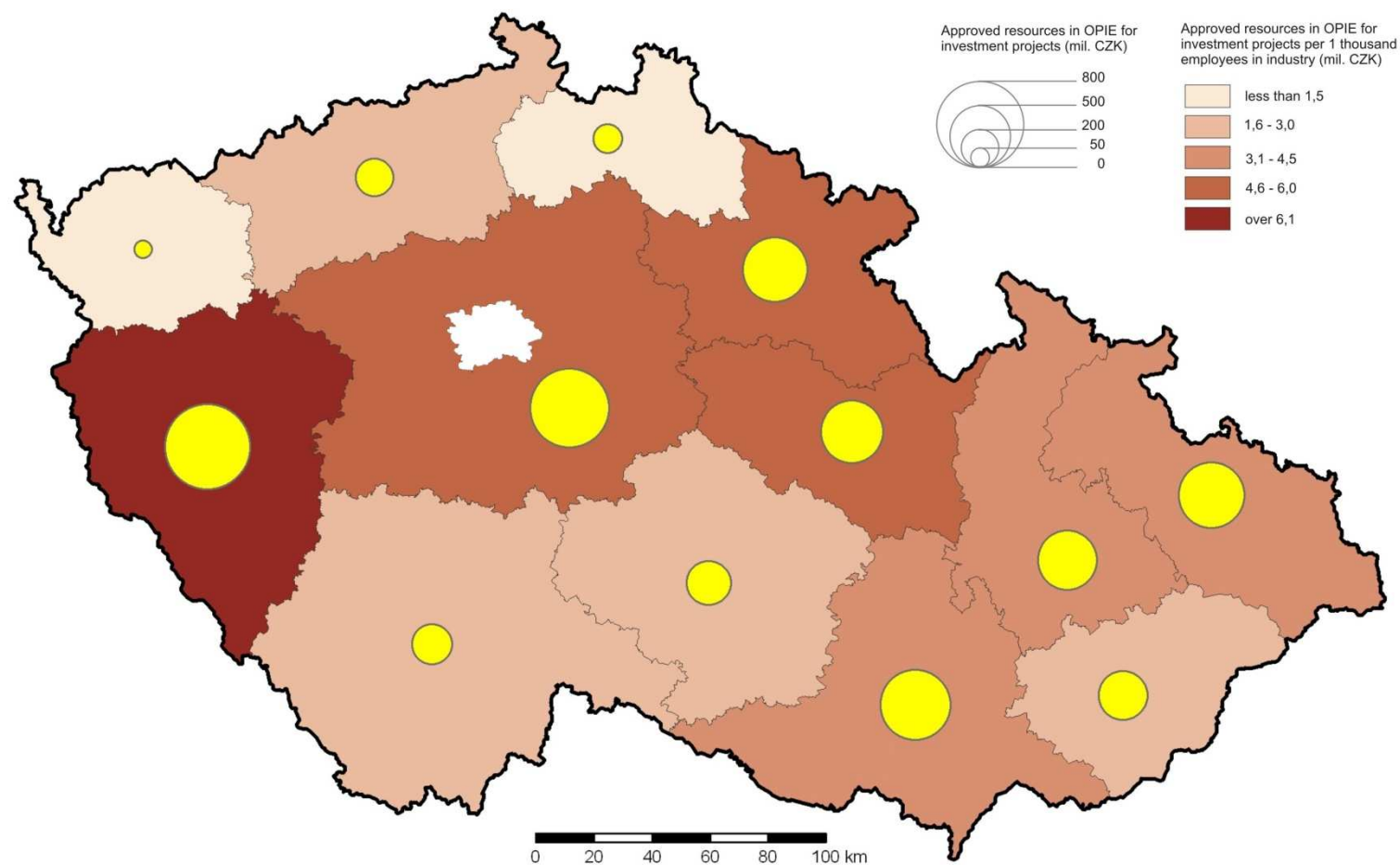
# Application part

## Public support in regions

	Number of submitted investment projects in OPIE	Number of approved investment projects of OPIE	Approved resources in OPIE for investment projects	Approved resources in OPIE for investment projects per 1 thousand employees in industry
	number	number	mil. CZK	mil. CZK
Jihočeský	111	37	216,5	2,449
Jihomoravský	211	77	568,2	4,044
Karlovarský	41	14	50,3	1,233
Královehradecký	102	48	492,1	5,765
Liberecký	56	19	117,2	1,359
Moravskoslezský	170	67	509,9	3,219
Olomoucký	123	41	424,1	4,541
Pardubický	129	58	460,2	5,658
Plzeňský	107	34	795,8	8,999
Středočeský	186	74	697,0	4,622
Ústecký	74	22	188,9	1,939
Vysočina	102	38	253,4	2,896
Zlínský	137	54	301,5	2,972
<b>Czech Republic without Prague</b>	<b>1549</b>	<b>583</b>	<b>5075,2</b>	<b>3,904</b>

# Application part

## Public support in regions







## Application part

### Influence of public support on economic development of regions

- enhancement of competitiveness of Czech companies
- increase of labour productivity
- increase of employment
- increase of gross added value
- faster increase of productivity x slower increase of number of employes
- negligible amount of public support in relation to total investments into industry



**Thank you for your attention.**

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