



CZECH  
REPUBLIC

# PATHWAYS TO EU FOR START-UPS AND INOVATIVE ENTREPRENEURS FROM THIRD COUNTRIES



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COMMON TEMPLATE

## 1 BACKGROUND AND RATIONALE FOR THE STUDY

According to the European Commission (2016b), to remain a globally competitive player, the EU needs to find better ways to attract migrant innovative entrepreneurs and support migrant entrepreneurs already present in the EU. Attracting and retaining start-ups' founders and employees from third countries is part of the objective of upgrading the single market (European Commission, 2015). Although the primary rationale is routed in economic policy perspective, attracting start-ups is also in line with the broader objectives of the EU migration policy, such as tackling demographic change and satisfying labour market needs.

The notions of 'start-up' and 'innovative entrepreneurship' relate to an environment where individuals are motivated to innovate, create new products or services and take risks. Entrepreneurship can have a beneficial impact on the economy, through job creation, innovation and investment. The concept of 'innovative entrepreneurship' is not a strictly defined one and a level of complexity derives from the concept's linkage, on the one hand, with other concepts such as innovation, the knowledge economy, the digital society, and on the other hand with similar but nuanced notions – self-employment, new business formation and small and medium-sized enterprises (European Commission, 2016a).

This Study specifically focuses on '**start-ups**' and '**innovative entrepreneurship**'. This is distinguished from general self-employment which falls outside of scope of the Study. However, start-ups and innovative entrepreneurs can be admitted on different types of visas and/or residence permits – including special permits where such exist in Member States, general permits for self-employment, investors or highly skilled. Thus, **although the focus of the study is start-up and innovative entrepreneurs, the Study explores all migratory channels (e.g. residence permits and visas) through which start-up and innovative entrepreneurs can be admitted.**

Although definitions in the literature vary, an innovative entrepreneur is someone who creates a (radically) new product/service or provides a new solution through a viable business model to meet a marketplace need or problem. 'Innovation' can be defined in this context as new expertise that an entrepreneur brings to the market whether through introducing a new or improved product, a new method of production, a new market, a new source of supply or the reorganisation of management.

In recent years we have seen a proliferation of start-up schemes across EU Member States – as well as globally – offering various incentives for start-up entrepreneurs from third countries. Start-up admission schemes aim at developing entrepreneurial ecosystems, fuelling economic growth and innovation, and making the country more competitive in the globalised knowledge economy. However, other EU countries (especially those that have entrepreneurial hubs) that do not have special scheme in place are attracting entrepreneurs via other entry pathways. EU economies, such as Germany and Sweden, have been attracting innovative entrepreneurs without having a specific scheme in place. The United States example (where no special visa exists, however attraction is high) shows that the existence of a tailor-made legal framework for start-ups and innovative entrepreneurs is only one of several factors that are important in attracting start-ups and innovative entrepreneurs and that entrepreneurial culture and supportive environment may play a more decisive role. **The main focus of the Study is to identify the factors and prerequisite for attracting and retaining start-ups and innovative entrepreneurs from third countries as well as examining the different admission pathways available, including specific start-up schemes.**

The Study also explores the **role of cities and regions and particular locations as entrepreneurial hubs** in attracting start-up founders and employees from third countries. Major European cities, such as Berlin, Stockholm and Madrid attract entrepreneurs from all over the world due to their fast-growing start-up scene and a successful infrastructure

for financing and funding<sup>1</sup>. Certain regions and locations are hubs for particular industries and sectors. For example, in the Netherlands, there are a number of established innovation and technology hubs and clusters, including, inter alia, Rotterdam, Delft and Hague for clean-tech, aerospace and cybersecurity; Amsterdam for the creative and graphic industry; Twente and Leiden for bio science, med-tech, nanotechnology and pharma (European Commission, 2016a).

With regard to those Member States which have introduced specific start-up schemes, having an innovative idea is a common condition of admission (EMN, 2018)<sup>2</sup>. Despite some similarities, these schemes vary significantly across Europe. For instance, whilst 'innovativeness' is a key criterion everywhere, Member States define 'innovation' in very different ways (EMN, 2018). This has been further complicated by the fact that alongside specific start-up schemes, a number of Member States are considering introducing other innovative pathways for self-employed migrants and entrepreneurs, who may contribute to innovation and economic growth (e.g. visas meant for freelancers, digital nomads<sup>3</sup> and so on). This is why this Study does not focus solely on 'start-up visas and residence permits' as such, but all migratory pathways available to start-ups and innovative entrepreneurs.

Due to varying terminology across the examined countries, the terms 'visas' and 'residence permits' mean allowing entry and stay for a certain period of time for setting up a business/start-up. The term 'scheme' can be used in a broader context with regard to the admission under a particular visa/residence permit and any additional benefits it may provide.

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<sup>1</sup> For example: <https://www.berlin-partner.de/en/the-berlin-location/the-place-to-be-for-startups/>

<sup>2</sup> EMN (2018) Inform: Attracting and retaining foreign start-up founders. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/inform\\_startups\\_2018\\_final\\_revised.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/inform_startups_2018_final_revised.pdf)

<sup>3</sup> Digital nomads are a type of people who use telecommunications technologies to earn a living and, more generally, conduct their life in a nomadic manner. Such workers often work remotely from foreign countries, coffee shops, public libraries, co-working spaces, or recreational vehicles.



While the EMN inform on attracting and retaining start-up founders (2018) offered some basic insights into the topic, the measures and activities in place are changing rapidly and there is currently no comprehensive EU-wide overview of migratory pathways for start-ups and innovative entrepreneurs. Hence, it would be useful to explore it in-depth and offer a platform for Member States to share their experiences and learn from each other. The ability for third-country nationals to invest across the single market and for start-up to scale up across the EU is an obvious advantage that national policies cannot offer on their own. This would also make Europe a more attractive destination for innovators from outside the EU.

## **2 STUDY AIMS AND OBJECTIVES**

The overall aim of this Study is to provide an overview of migratory pathways that are available for start-ups and other innovative entrepreneurs in the EU to stimulate economic growth, innovation and raise global economic competitiveness.

More specifically, the Study aims to:

- Describe the process and requirements for obtaining a start-up visa/ residence permit or other type of residence permit/visa for innovative entrepreneurs;
- Examine the incentives in place in EU Member States and Norway to attract and retain third-country national start-up founders/employees or other innovative entrepreneurs;
- Provide a statistical overview of the number of third-country national start-up founders/employees present in EU Member States and Norway from 2014–2018, their origin and recognition rates;
- Outline the challenges and good practices of EU Member States and Norway with regard to the attraction and retention of third-country national start-up founders/employees or other innovative.

### 3 SCOPE OF THE STUDY

The overall focus of this Study are third-country nationals who are either start-up founders, start-up employees or are engaged in other form of innovative entrepreneurship (see definitions below and Section 1). Admission for general self-employment purposes and setting up small business which is not considered innovative falls outside of scope of the Study. Although the focus of the study is start-up and innovative entrepreneurs, the Study is not limited to start-up schemes and includes all schemes which can be used to admit start-up founders and employees and innovative entrepreneurs from third countries. The Study covers the period from 2014–2018.

### 4 EU LEGAL AND POLICY CONTEXT

In recent years, migrant entrepreneurs are increasingly less attracted to EU Member States than they are to other OECD countries (OECD, 2016). Currently, no EU instrument that formalises self-employed workers' conditions of admission and rights is in place. This does not mean however that this group is totally excluded from the scope of the current EU legal framework on legal migration as the transversal Directives cover self-employed on certain aspects. While the EU has a dedicated framework for highly qualified workers, start-up founders and innovative entrepreneurs are not included in its scope.

Against this backdrop, the topic of migration schemes for start-up founders and employees from third countries has become a priority for many Member States. In addition, the Competitiveness Council has invited, in its Conclusions adopted on 27 May 2016 (9510/16), both the Commission and the interested Member States to explore whether a European start-up visa scheme would be of added value at EU level, could boost cross-border expansion of start-ups and EU's attractiveness for innovators, while respecting national competences and including the necessary safeguards. At national level, almost half of the Member States have adopted a specific scheme to attract and retain start-up founders

(EMN, 2018). In order for the EU to be competitive internationally and to avoid competition between the Member States, synergies need to be created between the different national schemes.

One of the European Commission's goals is to encourage an environment conducive to entrepreneurship. This principle was already at the core of the Lisbon Strategy as early as 2000. Making it less bureaucratic to start-up a new business is a basic element in this context. Moreover, the European Charter for Small Enterprises, in one of its ten lines of action, called for cheaper and faster business start-ups.<sup>4</sup>

## **5 PRIMARY QUESTIONS TO BE ADDRESSED BY THE STUDY**

The Study will aim to address the following research questions:

- What is the business environment for starting up a business in EU Member State and Norway? What are the administrative procedures/requirements to start up a business?
- To what extent is the attraction and retention of entrepreneurs and start-up founders a policy priority for Member States? What are the sectors and industries in EU Member States and Norway which are aiming to attract entrepreneurs?
- What are the main factors and prerequisites in attracting start-up founders /employees and innovative entrepreneurs from third countries?
- What migratory legal frameworks are in place in EU Member States and Norway for admission of start-ups and innovative entrepreneurs?
- What are the requirements for obtaining a start-up visa/residence permit or other type of residence permit/visa for innovative entrepreneurs?

<sup>4</sup> Accessible: [https://ec.europa.eu/growth/content/european-charter-small-enterprises-0\\_en](https://ec.europa.eu/growth/content/european-charter-small-enterprises-0_en)

- How many applications have been submitted on these grounds? What is the acceptance rate? From which countries do they mostly originate?
- What measures have EU Member States and Norway implemented in order to attract and retain start-up founders/employees and other innovative entrepreneurs?
- What have been the main challenges in implementing these measures?
- Which good practices are in place in EU Member States and Norway related to the attraction and retention of start-up founders/employees or other innovative entrepreneurs? Have Member States and Norway measured the success of such schemes?

## 6 RELEVANT SOURCES AND LITERATURE

### *EMN Studies and other sources*

- EMN (2018) Inform: Attracting and retaining foreign start-up founders. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/inform\\_startups\\_2018\\_final\\_revised.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/inform_startups_2018_final_revised.pdf)
- EMN (2015): Changes in immigration status and purpose of stay: an overview of EU Member States approaches. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european\\_migration\\_network/reports/docs/emn-studies/emn-studies-00.emn\\_study\\_on\\_the\\_change\\_of\\_status\\_final.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn-studies-00.emn_study_on_the_change_of_status_final.pdf)
- EMN (2014): Admitting third country nationals for business purposes. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european\\_migration\\_network/reports/docs/emn-studies/emn\\_study\\_admitting\\_third\\_country\\_nationals\\_for\\_business\\_purposes\\_synthesis\\_report\\_04may2015.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn_study_admitting_third_country_nationals_for_business_purposes_synthesis_report_04may2015.pdf)
- EMN (2013): Attracting Highly Qualified and Qualified Third-Country

Nationals. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european\\_migration\\_network/reports/docs/emn-studies/attracting/emnsr\\_attractinghqworkers\\_finalversion\\_23oct2013\\_publication.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/networks/european_migration_network/reports/docs/emn-studies/attracting/emnsr_attractinghqworkers_finalversion_23oct2013_publication.pdf)

### **EMN AHQs**

- Start-up policies for third-country nationals (part 1) – requested by EE EMN NCP on 12th June 2017;
- Start-up policies for third-country nationals (part 2) – requested by EE EMN NCP on 12th June 2017;
- Ad-Hoc Query on the impact of start-up policies for third country nationals – requested by ES EMN NCP on 15th of December 2015.

### **Other studies and reports**

- European Commission (2018), European Innovation Scoreboard, Accessible: [https://ec.europa.eu/growth/content/european-innovation-scoreboard-2018-europe-must-deepen-its-innovation-edge\\_en](https://ec.europa.eu/growth/content/european-innovation-scoreboard-2018-europe-must-deepen-its-innovation-edge_en)
- ICF report commissioned by European Commission (2016a), Admission of migrant entrepreneurs. Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/legal\\_migration/volume\\_ii\\_-\\_admission\\_of\\_migrant\\_entrepreneurs\\_en.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/legal_migration/volume_ii_-_admission_of_migrant_entrepreneurs_en.pdf)
- European Commission (2016b), Communication from the Commission of 6 April 2016. Accessible: <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52016DC0197&rid=1>
- European Commission (2016c). Annexes to the Impact Assessment Accompanying the document Proposal for a Directive of the European Parliament and the Council on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment.

Accessible: [https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/proposal-implementation-package/docs/20160607/directive\\_conditions\\_entry\\_residence\\_third-country\\_nationals\\_highly\\_skilled\\_employment\\_impact\\_assessment\\_part\\_6\\_en.pdf](https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-we-do/policies/european-agenda-migration/proposal-implementation-package/docs/20160607/directive_conditions_entry_residence_third-country_nationals_highly_skilled_employment_impact_assessment_part_6_en.pdf)

- European Commission (2015). Upgrading the Single Market: more opportunities for people and business. Communication of 28 October 2015. Accessible: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2015%3A550%3AFIN>
- Competitiveness Council, in its Conclusions adopted on 27 May 2016 (9510/16). Accessible: <http://data.consilium.europa.eu/doc/document/ST-9510-2016-INIT/en/pdf>
- OECD and European Commission (2016). Recruiting Immigrant Workers: Europe 2016. Accessible: <http://www.oecd.org/migration/recruiting-immigrant-workers-europe-2016-9789264257290-en.htm>

## 7 DEFINITIONS

The following key terms are used in the Common Template:

**'Accelerator programmes'** see 'Incubator' below.

**'Entrepreneur/business-founder'** An individual who founds and runs a business, assuming all risks and rewards of the venture. Commonly seen as an innovator, a source of new ideas, goods, services and business/or procedures (Source: Investopedia<sup>5</sup>).

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<sup>5</sup> <https://www.investopedia.com/terms/e/entrepreneur.asp>; see also <https://epale.ec.europa.eu/en/blog/innovative-entrepreneurs-why-are-they-different-others>

**'Entrepreneurship'** Capacity and willingness to develop, organise and manage a business venture along with any of its risks in order to make a profit (Source: BusinessDictionary<sup>6</sup>).

**'Entrepreneurial culture'** Refers to the social environment in which entrepreneurship is seen positively, individuals are encouraged to start and grow a business and entrepreneurial success is celebrated. Risk-taking and innovation are prized and not excessively penalised (EY G20 Entrepreneurship Barometer 2013<sup>7</sup>).

**'Ecosystem'** (also known as a hub): environment or "ecosystem" made of private and public players, which nurture and sustain start-ups and entrepreneurs, making the action of entrepreneurs easier. For example, the existence of prior ventures, the availability of start-up financing mechanisms, a patent system and a culture tolerating failure all facilitate the creation of new firms (Source: Lexicon, The Financial Times<sup>8</sup>).

**'Employee'** means a worker holding an explicit or implicit employment contract, which gives them a basic remuneration that is not directly dependent upon the revenue of the unit for which they work.

**'Employer'** means any natural person or any legal entity, for or under the direction or supervision of whom or which the employment is undertaken.

**'Family members'** is a third-country national, as specified in Art. 4(1) of Directive 2003/86/EC (normally members of the nuclear family – i.e. the spouse and the minor children), who has entered the territory of the European Union for the purpose of family reunification (EMN Glossary Version 6.0).

<sup>6</sup> <http://www.businessdictionary.com/definition/entrepreneurship.html>

<sup>7</sup> <https://www.g20yea.com/images/reports/EY-G20-Entrepreneurship-Barometer-2013-Report.pdf>

<sup>8</sup> <https://www.ft.com/>

**'Highly qualified migrant'** is defined in the EU context as a third-country national who seeks employment in an EU Member State and has the required adequate and specific competence, as proven by higher professional qualifications (EMN Glossary Version 6.0).

**'Hub'** see 'Entrepreneurial ecosystem' above.

**'Incubator'** is an organisation designed to accelerate the growth and success of entrepreneurial companies through an array of business support resources and services that could include physical space, capital, coaching, common services, and networking connections. **Business incubation programs** are often sponsored by private companies or municipal entities and public institutions, such as colleges and universities. Their goal is to help create and grow young businesses by providing them with necessary support and financial and technical services (Source: <https://www.entrepreneur.com/encyclopedia>).

**'Innovative entrepreneur'** is an individual who founds and runs a business bringing to the market whether through introducing a new or improved product, a new method of production, a new market, a new source of supply or the reorganisation of management (European Commission, 2016a).

**'Labour shortage'** is defined as a shortage of labour of a particular type in a particular labour market which may be said to exist when the number of vacancies has been (or is expected to be) above a level considered to represent 'normal' turnover at the prevailing wages and working conditions for an extended period (EMN Glossary Version 6.0).

**'Long-stay visa'** means an authorisation issued by a Member State as provided for in Article 18 of the Schengen Convention or issued in accordance with the national law of Member States not applying the Schengen acquis in full (EMN Glossary Version 6.0).



**'Pull factor'** is the condition(s) or circumstance(s) that attract a migrant to another country (EMN Glossary Version 6.0).

**'Residence permit'** is defined as "an authorisation issued using the format laid down in Regulation (EC) No 1030/2002 entitling its holder to stay legally on the territory of a Member State" (EMN Glossary Version 6.0).

**'Start-up'** is an independent for-profit organisation, which is younger than five years and is aimed at creating, improving and expanding a scalable, innovative, technology-enabled product with high and rapid growth (European Startup Network – available: <https://europeanstartupnetwork.eu/vision/>).

**'Short-stay visa'** is defined as the authorisation or decision of an EU Member State with a view to transit through or an intended stay on the territory of one or more or all the EU Member States of a duration of no more than 90 days in any 180-day period (EMN Glossary Version 6.0).

In terms of short stay visas, the UK operates differently to the Schengen Area. In the UK – which is outside the Schengen Area – a Standard Visitor visa usually permits people to stay in the UK for up to six months, rather than 90 days, over a 180 day period, which is relevant duration for short-stay/visa free travel in the Schengen Area.

**'Survival rate'** is defined as the rate of start-ups which are still operating after a certain period of time. (Hyytinen A. et al (2015), 'Does innovativeness reduce start up survival rates?', Journal of Business Venturing – available: <https://www.sciencedirect.com/science/article/pii/S0883902614000913>).

**'Third-country national'** is defined as "any person who is not a citizen of the European Union within the meaning of Art. 20(1) of TFEU and who is not a person enjoying the Union right to free movement, as defined in Art. 2(5) of the Schengen Borders Code" (EMN Glossary Version 6.0).

# THE CONTRIBUTION OF THE CZECH REPUBLIC

## LIST OF ABBREVIATIONS

CZK	Czech crown
CzechInvest	Investment and Business Development Agency
ICT	Information and Communication Technologies
IoT	Internet of Things
RVVI	Research, Development and Innovation Council
TCN	Third-country national
VAT	Value Added Tax

# INTRODUCTION

In general, the Czech Republic sees innovations and start-ups (including spinoffs) as its priority.

Recently, the Czech Republic adopted a strategic document entitled “Innovation Strategy of the Czech Republic 2019–2030” prepared by the Research, Development and Innovation Council (RVVI). It was approved by the Government on 4 February 2019.

The governmental policy towards start-ups is implemented by the Investment and Business Development Agency “CzechInvest” (hereinafter referred to as “CzechInvest”), which is a state contributory organization subordinate to the Ministry of Industry and Trade of the Czech Republic. It supports small, medium-sized and innovative start-up companies, the country’s business infrastructure and innovation. CzechInvest implements various projects aimed at start-ups (CzechStarter, CzechAccelerator, CzechMatch and CzechDemo, ESA BIC Prague, My-Gateway, CzechStartups.org, Astropreneurs) and help them with mentoring, consulting, networking etc.

Nevertheless, the Czech Republic has neither a legal definition (e.g. provided in legislation or soft law) nor a working definition (e.g. in policy documents, strategies or internal definitions used by the relevant institutions) of a **“start-up”** or **“innovative entrepreneur”** and does not feel the need to have one. The Czech national policy focuses

primarily on the development of ecosystem, programmes and services for start-ups and innovative entrepreneurs setting up their business in the Czech Republic. Attracting start-ups and innovative entrepreneurs from third countries is not a major goal yet.

The Czech legislation does not provide any scheme which would facilitate the immigration of start-up founders and innovative entrepreneurs from third countries. It has not introduced any start-up visas or similar special type of visa/residence permit and it does not intend to introduce it in the near future. Start-up founders, employees and innovative entrepreneurs from the third countries are therefore not recognized as specific categories of migrants in the Czech immigration system. In case they want to set up a business in the Czech Republic, they are granted standard visas and residence permits for the purpose of business activities or employment. Due to this fact, the Czech Republic does not keep corresponding statistics.

However, the Government of the Czech Republic launched a small-scale fast-tracking migration project called **“Welcome Package for Investors”** (hereinafter referred to as “Welcome Package”) in 2013. Start-up founders, employees and their closest family members belong to its target group since November 2017 (when the project was upgraded). Applications for visas/residence permits submitted by the participants in this project are processed within 30 days. In order to be involved in the project, a start-up has to conclude an agreement with one of the Czech incubators or an agreement on entry of a technological investor into it. A start-up may benefit from the project for first 2 years of its existence. The annual quota for applications to the Welcome Package amounts to 150 persons which so far has been sufficient. The Project is implemented by the CzechInvest and several ministries.

The start-up founders, start-up employees and innovative entrepreneurs from the third countries applying for business-related stay (submitting applications in their countries of origin) may be granted the following types of visas/residence permits:

	Type of visa/ permit	Max. validity	Extension
<b>Start-up founder/ innovative entrepreneur</b>	Long-term visa for the purpose of business	1 year	no, long-term residence permit
<b>Start-up employee</b>	Single Permit	2 years	yes (repeatedly)
<b>Start-up employee</b>	Blue Card	2 years	yes (repeatedly)

**The requirements for obtaining a long-term visa for the purpose of business include:** registration of an applicant in the relevant business register (Commercial Register, Trade Licencing Register) as an owner, partner, executive or a member of a statutory body of a commercial corporation, sufficient funds to cover the costs of stay, proof of accommodation and interview at the Embassy. No business plans are requested.

The employees of start-ups may be granted a Single Permit (Employee Card)/Blue Card if they submit an employment contract, documents proving qualification required by an employer or the EU/national legislation and a proof of accommodation.

Third-country nationals staying in the Czech Republic as employees, students, reunified family members etc. may all found a start-up if they are interested in entrepreneurship. However, they are allowed to change their status into business only after 5 years of continuous stay. It is not necessary to do so if they start to do business and keep complying with the original approved purpose of stay. According to the Directive 2016/801/EU, the former students and scientific researchers are allowed to apply for a long-term residence permit for the purpose of setting up a business which could be granted for up to 9 months.

All third-country nationals are allowed to set up a business in the Czech Republic under the same conditions as the Czech nationals. A company comes into existence by virtue of its registration in the Commercial Register. A limited liability company is quite common in the small and

medium-sized businesses. The registration of a new company costs approximately 190 € and the process takes around 25 days.

Across the Czech Republic, there are various business incubators and accelerators providing services to start-ups and innovative entrepreneurs. Many of them are run in cooperation between the regions, municipalities and universities. However, the role which cities or regions authorities have in creating and supporting entrepreneurial ecosystems and start-up hubs in the Czech Republic vary from one region to another.

## Section 1

### CONTEXTUAL OVERVIEW OF THE BUSINESS ENVIRONMENT TO START UP A BUSINESS IN THE CZECH REPUBLIC

*This introductory section aims at providing a contextual overview of the business environment in the Czech Republic in general (including for nationals of the Czech Republic) whilst the remaining sections focus specifically on attracting migrant start-ups and 'innovative entrepreneurs' from third countries.*

**Q1a.** Are there **specific policies or strategies** which aim at fostering start-ups and innovative entrepreneurship in your (Member) State in general?

Yes.

No.

On 4 February 2019, the Government approved the document entitled "Innovation Strategy of the Czech Republic 2019–2030" prepared by the Research, Development and Innovation Council (RVVI). The guarantor is Andrej Babiš, Prime Minister of the Czech Republic and Chairman of RVVI.



**Q1b.** Is fostering start-ups and innovative entrepreneurs in general a **national policy priority**?

Yes.

No.

Both innovations and start-ups including spinoffs are in general a national policy priority. CzechInvest is the main body supporting start-ups. All start-ups are also supported by the Ministry of Industry and Trade through Operational Programme Enterprise, Innovation and Competitiveness, the Ministry of Education, Youth and Sports and Technology Agency of the Czech Republic through their programs etc.

**Q2.** Does your (Member) State have **(a) a legal definition** (e.g. provided in legislation or soft law) **or (b) a working definition** (e.g. in policy documents, strategies or internal definitions used by relevant institutions) **of a 'start-up' and/or 'innovative entrepreneur'?**

Yes, there is a legal definition of a start-up/innovate entrepreneur.

Yes, there is a working definition of a start-up/innovative entrepreneur.

No.

**Q3a.** What are the **requirements** for starting up a business (i.e. start-up) in your (Member) State?<sup>9</sup>

A company comes into existence by virtue of its registration in the Commercial Register maintained by the respective Registry Court. A limited liability company is quite common in the small and medium-sized businesses.

Minimal registered capital required by the law is only 1 CZK.

Depending on the nature of the business, a trade licence may be required. A company has to be registered by the tax office.

Every company is required to have an office registered at the address in the Czech Republic's territory.

A company is required to register a data mailbox through which is able to communicate with Czech authorities.

For more detailed info please see "Doing business statistics": <http://www.doingbusiness.org/en/reports/regional-reports>

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<sup>9</sup> Some information is available in the 'Starting a business portal': [https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index\\_en.htm](https://europa.eu/youreurope/business/running-business/start-ups/starting-business/index_en.htm)

**Q3b.** What is the **process** for setting up a new business in your (Member) State, from the initial application to the official registration?

1) Before registering in the Commercial Register:

- opening a bank account,
- acquisition of a trade licence,
- acquisition or lease of real estate property for business.

Company's founder(s) must pay the monetary contribution (investment) into a special bank account opened specifically for this purpose.

A company must obtain a trade licence from a trade licensing office corresponding to the activities they intend to undertake, or some other form of business authorisation. For this purpose, a responsible representative who is responsible for the company's compliance with the conditions of the trade licences has to be appointed. The company has the option to submit a single application to the trade licensing office, in such application it will apply for both (i) trade licence(s) and (ii) registration with the tax office.

A company must purchase or lease premises in which the registered office of the company will be situated.

2) Registration of the company:

The company can be registered in the Commercial Register by its founder(s), a legal representative or a notary. The following set of documents is required for the registration:

- a notarized partnership agreement/the articles of association,
- an evidence (the relevant bank statement) that the company's registered capital was paid up in the minimum required amount (1 CZK),
- an affidavit signed by each member of the executive and supervisory body and consent from each member to the entry of his/her details in the Commercial Register,
- a document similar to an extract from the Penal Register record issued by the third-country national's country of origin/residence,
- an address of the business in the Czech Republic (e. g. an extract for the Land Register, rental agreement),
- an extract from the Trade Licensing Register (if trade licence is required).

Please see also: <http://www.doingbusiness.org/en/reports/regional-reports>

**Q3c. How long** does it take to set up a business in your (Member) State?

Timeframe for registration as declared by the relevant institution:  
On average it takes 24,5 days (please see page no. 9 at: <http://www.doingbusiness.org/en/reports/regional-reports>).

**Q3d.** What is **the cost** to register a business?

Approximately 190 €.

**Q3e.** Have there been any **evaluations** or **public debates** on the business environment in your (Member) State? – i.e. have any administrative barriers been identified on how easy or difficult (burdensome) is to set up a business in your (Member) State? What are the main conclusions?

According to the experience of CzechInvest there are many barriers identified. Basically, there is no possibility to set up a business online, for start-ups it is very problematic to register for VAT (if they not achieve a minimum criteria for VAT registration including 1 million CZK revenue).

**Q4a.** Do **hubs** and **ecosystems** (see definitions) exist in your (Member) States?

Yes.

No, there are no major entrepreneurial hubs and ecosystems.

Please see:

[http://www.czechstartups.org/en/infrastructure/?set\\_order=&set\\_orderby=&spg\\_infrastructure-type=incubator&spg\\_infrastructure-region=hlavni-mesto-praha](http://www.czechstartups.org/en/infrastructure/?set_order=&set_orderby=&spg_infrastructure-type=incubator&spg_infrastructure-region=hlavni-mesto-praha)

(approx. 30 institutions).

Major hubs are in Prague and Brno.

**Q4b.** What is the **role of cities or specific regions** in creating and supporting entrepreneurial ecosystems and start-up hubs in your (Member) State?

It depends on each region. They usually support the establishment and operations of incubators/innovation centres. One of the best use cases is South Moravian Centre ([www.jic.cz](http://www.jic.cz)), Technology Centre of Hradec Kralove (<https://www.tchk.cz/>), but also Prague Start-up Centre established a few years ago. Cities or more specifically "regions" also launch a specific programs such as "innovation vouchers" to support collaboration between companies and universities as well as to support innovation process within the small and medium-sized enterprises.

**Q5.** What are the main **sectors** and **industries** in which your (Member) State aims to attract/attracts start-ups and innovative entrepreneurs? Please briefly explain, if possible to allow for comparison, with **reference to the main sections (i.e. section level classification)** of NACE Rev.2 classification of economic activities<sup>10</sup>.

There are no specific sectors for “attracting” start-ups, but the Czech Republic is strong at ICT sector (CZ-NACE<sup>11</sup> 62 a 63).

<sup>10</sup> <https://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF/dd5443f5-b886-40e4-920d-9df03590ff91?version=1.0>

<sup>11</sup> [https://www.czso.cz/csu/czso/klasifikace\\_ekonomickych\\_cinnosti\\_cz\\_nace](https://www.czso.cz/csu/czso/klasifikace_ekonomickych_cinnosti_cz_nace)

## Section 2

### NATIONAL LEGAL AND POLICY FRAMEWORK IN THE CZECH REPUBLIC FOR ADMISSION OF START-UPS AND INNOVATIVE ENTREPRENEURS FROM THIRD COUNTRIES

**Q6.** Is attracting start-ups and innovative entrepreneurs from third countries a **national policy priority**?

- Yes, this is a national policy priority.
- No, this is not a major national policy priority.

**Q7a.** Does your national legislation provide for a special **visa or residence permit** to facilitate the immigration of start-up founders and innovative entrepreneurs from third countries?

- Yes, a special visa is in place to facilitate the immigration of TCN start-up founders.
- Yes, a special residence permit is in place to facilitate the immigration of TCN start-up founders.



No, other type of residence permit is commonly used to facilitate the immigration of start-ups/innovative entrepreneurs from third countries.

No, a visa or residence permit is not in place, however, there is a specific programme or other initiatives intended to facilitate the immigration of start-ups and innovative entrepreneurs from third countries.

The Czech Republic has a special fast-tracking migration project called “Welcome Package for Investors”. All start-up founders and their closest family members belong to its target group.

**Q7b.** If no, has there been a policy debate about the reasons for not introducing a special scheme?

No.

**Q8.** Does your national legislation provide for a special visa/residence permit to facilitate the immigration of TCN start-up **employees**?

Yes, a special visa is in place to facilitate the immigration of start-up employees from third countries.

Yes, a special residence permit is in place to facilitate the immigration of start-up employees from third countries.

No.

However, the Czech Republic has a special fast-tracking migration project (“Welcome Package for Investors”). Start-up employees and their closest family members belong to its target group.

**Q9a.** Are there any **planned changes** in law/policy/practice regarding start-ups or other innovative entrepreneurs from third countries in your (Member) State?

Yes.

No.

**Q9b.** If your (Member) State does not have any special schemes in place for start-up founders/employees, is your (Member) State **planning to introduce** these regulations in coming years?

Yes.

No.

Currently granted visas and residence permits for the purpose of business activities or employment seem to work well for start-up founders and employees.

**Q9c.** Have there been any recent or ongoing **national public/policy debates** with regard to facilitating the immigration of start-ups and innovative entrepreneurs from third countries?

Yes.

No.

## Section 3

### ADMISSION CONDITIONS FOR START-UPS AND INNOVATIVE ENTREPRENEURS FROM THIRD COUNTRIES

#### 3.1 Admission conditions in those (Member) States which do not have a specific scheme for start-ups

**Q10a.** What types of **visas/residence permits** does your (Member) State have in place that could be used by TCN start-up founders /innovative entrepreneurs to establish themselves in your country?

Long-term visas and residence permits for the purpose of business activities.

**Q10b.** What are the **requirements** for obtaining the residence permit?

- Registration of an applicant in the relevant business register (Commercial Register, Trade Licencing Register) as an owner, a partner, an executive or a member of a statutory body of a commercial corporation.

- Sufficient funds to cover the costs of stay.
- Proof of accommodation.
- Interview at the Embassy.

No business plans are required.

**Q10c.** What are the **factors/conditions that incentivise** start-ups and innovative entrepreneurs to use specific immigration routes?

The Czech Republic has a special fast-tracking migration project called “Welcome Package for Investors”. Start-up founders and their closest family members belong to its target group.

**Q10d.** Which **authority** (ies) is/are responsible for granting the residence permit?

The Ministry of the Interior of the Czech Republic.

**Q10e.** What is the **processing time** for application for the residence permit in your legislation?

Maximum: 90 days

Average: 65 days

**Q10f.** What is the **duration** of the visa/residence permit?

Visa: 1 year

Residence permit: 2 years

See also introduction.

**Q10g.** Could the start-up founder **employ third-country nationals**? Under which scheme? What are the conditions that they have to fulfil?

Yes, they can. Employees from third countries may apply for Single Permits or Blue Cards.

**Q10h.** What are the **challenges** regarding admission of start-ups and innovative entrepreneurs from the national stakeholders' perspective as well as if possible, from the TCNs perspective?

The Ministry of the Interior has not noticed any challenges specifically related to start-ups or innovative entrepreneurs.

**Q10i.** What are the **good practices** identified in your (Member) State?

Any of the institutions involved in the start-ups topic have no good practices to share.

### 3.2. Case study scenarios

*With the use of fictional scenarios, the following question aims to provide an understanding of the possible admission options of different types of start-ups and innovative entrepreneurs. This question should be answered by all (Member) States – i.e. those with a specific scheme in place and those without such a scheme.*

**Q11.** Please consider the following fictional scenarios (case studies) and for each scenario, please answer the following questions:

1. What are the migratory pathways (visas/residence permits) available?
2. Would the person qualify for the permit and if yes, under what specific conditions?
3. Which authority would assess the eligibility of the applicants?
4. What is the application process?
5. How long would it take for the person to obtain the permit?

**1) TCN outside of the EU, has not set up business yet: Start-up at business plan stage, has not registered the company in the Member State, wants to apply from outside the EU.**

Vihaan is a highly skilled professional from India with a Master's degree from University of Delhi, currently living in Delhi. For the past few months he has been working in an IT company there, but he plans to start his own business in the near future. He already has a business plan for a service-based app that he thinks could do well in your Member State. His goal is to come to your Member State and start his company there. What is the process that Vihaan would have to go through to build his start-up in your Member State?

*Vihaan must do the following steps to establish a company (e.g. a limited liability company) in the Czech Republic:*

*A company comes into existence by virtue of its registration in the Commercial Register. Vihaan himself has to be registered there as a business owner. He can either register his company in person (he is allowed to apply for a short-term visa) or with a help of a private legal service provider. Vihaan may subsequently apply for a long-term visa for the purpose of business at the Embassy of the Czech Republic in New Delhi and come to the Czech Republic if his application is approved. The visa can be granted for up to 12 months. Before his visa expires, Vihaan is allowed to apply for a residence permit.*

**2) TCN already in the EU, working as a highly skilled employee: Highly skilled third-country national who came on an EU Blue Card or an alternative national permit for highly skilled workers working for a company in a certain industry; after 2 years of working for the company wants to start his/her own business.**

Amel is a Tunisian citizen working for "B Solutions", a biotech company in your Member State on an EU Blue Card permit or an alternative



national permit for highly skilled workers arranged through her employer. After having worked for the company for two years, she feels that she is ready to take on a new challenge. She would like to start her own business in the same sector and set up a company that offers high-tech solutions to recycle waste in new, innovative ways, remaining in your Member State. What are her possibilities?

*Amel is required to set up her business (e.g. a limited liability company) by registering it in the Commercial Register and register herself there as well as a business owner. As a Blue Card holder, she would be allowed to switch her status into business only after completing 5 years of residence in the Czech Republic. If she does not meet this condition yet, she may – as a registered business owner – conclude a labour contract between her company and herself as its employee. Before doing it, she would be required to report a new job vacancy to the Labour Office and the vacancy would have to pass the labour market test. Thereafter, Amel could change her job and report this fact to the Ministry of the Interior within 3 days. She will remain in the Czech Republic as a Blue Card holder employed by her own company.*

### **3) TCN outside of EU, registered company:**

**Start-up just started, registered company outside the EU would like to set up in the Member State.**

Sergey from Minsk, Belarus owns a company “Icomp Technologies”, a manufacturing company which has just launched the production of electronic components in IoT (Internet of Things) technology sector. The company has already shipped some experimental production to third country markets, such as Japan and Malaysia, and based on the initial success it was decided to reallocate company’s headquarters to your Member State for further business development. What is the process that Sergey would have to go through to move the headquarters? Are there any additional provisions for other staff members aiming to reallocate to a Member State?

*Sergey is required to set up his business in the Czech Republic by registering his company in the Commercial Register. He has to register himself and/or all other partners, executives or members of a statutory body of his company. He and his registered key personnel would be allowed to apply for long-term visas for the purpose of business. Employees of Sergey's company would be required to apply for Single Permits, Blue Cards or Intra-corporate Transferee Cards (according to the EU Directives in the scope of which they would fall).*

*As a newly established company belonging to the group of multinational undertakings placing its investment in the Czech Republic, Sergey's company may apply for inclusion into the governmental fast-tracking migration project. Sergey would be required to submit (i) an affidavit declaring a target to create at least 50 job vacancies in the following three years and a contract on the purchase of land or a contract on leasing of non-residential premises for business or (ii) a confirmation of acceptance of the application for investment incentives granted by the Czech Business and Investment Development Agency "CzechInvest" according to the amount of invested capital and other criteria.*

*If the company is admitted in the project, its executives and highly qualified employees and their closest family members who would be citizens of visa-free countries (i.e. Japan, Malaysia, but not Belarus) could be granted visas and residence permits within 30 days. In 2019, the Czech Republic is going to open this project to all third-country nationals.*

#### **4) TCN already in the EU, PhD or master student:**

Auri is a Dominican PhD student at a university in your Member State in the field of biotechnology studies. In parallel to her studies (outside her PhD contract), Auri researched fermentation and revealed yet unknown characteristics of the investigated ferment. Auri discovered that the reaction between the researched ferment and a specific

enzyme could have a particular effect on human's skin regeneration. She was approached by a potential investor who saw the potential of the discovery in the medical cosmetology sector. Auri would like to register a company in your Member State and undertake further necessary research to receive patents and start the production of agents as a next stage. What are her possibilities?

*Auri can set up her business and still proceed with her study at the university. After completing her studies, Auri is allowed to apply for a residence permit for the purpose of job-searching or entrepreneurship for researchers and students according to the Article 25 of the Directive 2016/801/EU. As a holder of this permit, she would be subsequently allowed to switch her status into business (direct change of status from study to business would not be possible if Auri had not completed 5 years of previous residence in the Czech Republic).*

## Section 4

### ATTRACTING START-UPS AND INNOVATIVE ENTREPRENEURS FROM THIRD COUNTRIES

**Q12.** Does your (Member) State have specific **measures** in place to **attract** start-up founders and innovative entrepreneurs from third countries?

Yes.

No.

**Q13.** Do government authorities cooperate with the **private sector** in attracting start-ups and innovative entrepreneurs from third countries?

Yes.

No.

**Q14a.** Please complete the information below with regard to the (applicable) **(I) Rights and (II) Incentive measures** in place to attract start-up founders (not employees) from third countries in your (Member) State.

The Czech Republic does not have any special measures in place to attract start-up founders from third countries. Since they do not constitute a special category of migrants, they are given just a standard scope of rights which all third-country nationals admitted for the purpose of business have. Start-up founders could be provided preferential treatment only if they participated in the immigration project called “Welcome Package for Investors”. The participants in the project may benefit from the fast-track procedure and the possibility to be accompanied by the closest family members. No incentives are offered to start-up founders.

### ***I. RIGHTS***

<b>Rights</b>	<b>Brief description of the rights granted</b>
<b>Facilitation to access permanent residence</b>	Start-up founders are granted permanent residence under standard rules.
<b>Access to employment</b>	Employment must be permitted.
<b>Possibility to be accompanied by family members</b>	Family members are allowed to submit applications for visas together with their sponsor.
<b>Family members allowed to access the labour market</b>	Family members are entitled to free access to the labour market only if they are granted a long-term residence permit for the purpose of family reunification according to the relevant EU Directive. Holders of national long-term visas do not have the right of free access to the labour market.

## **II. INCENTIVE MEASURES**

The incentive measures are not available in the Czech Republic.

**Q14b.** Are there any measures to encourage and foster innovative entrepreneurship and start-ups for third-country nationals **already present** in the (Member) State? (e.g. in the context of integration measures)

Yes.

No.

**Q15a.** Does your (Member) State carry out **promotional activities and dissemination of information** targeted to start-up founders and innovative entrepreneurs?

Yes.

No.

**Q15b.** Does your (Member) State aim to create a national/regional 'brand' (e.g. visual image, perception, etc.) of the start-up scheme?

Yes.

No.

**Q15c.** Have there been any **evaluations of the effectiveness** of promotional activities in Q15a. carried out?

Yes.

No.

**Q16a.** Based on existing national sources (evaluation reports, media reports, etc.), what are the **factors affecting the attraction of start-up founders/employees** in your (Member) State?

Hubs and locations for start-ups (e.g. cities).

Culture.

Socio-economic factors (e.g. living costs).

Other:

The representatives of the CzechInvest assume that good ratio of costs and living standards attract start-up founders and employees.

**Q16b.** What are the main **challenges** in attracting start-ups and innovative entrepreneurs from third countries in your (Member) State?

The main challenges identified by the CzechInvest are:

- a) Administrative obstacles,
- b) Visibility,
- c) Number of incubators and accelerators.



<b>Challenge</b>	<b>For whom it is a challenge (policy-maker, organisation, other stakeholders)?</b>	<b>Why it is considered a challenge?</b>	<b>What is the source of the statement?</b>
Administrative obstacles	Policy-makers	Reputation of the Czech Republic as "welcome country for high educated people". Educated people with great potential have the same obstacles as other groups of foreign nationals, maybe more. Also an exam from Czech language is very difficult.	From expats.
Visibility	Czech Republic	The Czech Republic is not known as a destination for start-ups, therefore foreign entrepreneurs do not consider to establish business here.	Start-up surveys (Czech Republic or Prague as a capital is not usually among top 10, 15 or even 20 locations), inputs from experts.
Number of incubators and accelerators to help start-ups which are not able to work with foreign founders.	Organizations such as incubator or accelerator	The most local business incubators or accelerators focus only on Czech entrepreneurs. Maybe because most of them are state/gov/regionally funded.	Inputs from experts.

**Q16c.** What are the **good practices** identified in attracting start-ups and innovative entrepreneurs from third countries in your (Member) State?

There are no examples of good practices to share.

## Section 5

### RENEWAL OF RESIDENCE PERMITS/VISAS AND RETENTION MEASURES FOR START-UPS AND INNOVATIVE ENTREPRENEURS

*This section aims at exploring the possibilities for renewal of residence permits/visas granted to start-up founders and innovative entrepreneurs as well as retention measures. In case there is no specific start-up visa/residence permit in your (Member) State, please answer with reference to the schemes/visas/permits TCN start-up founders and innovative entrepreneurs can apply for.*

**Q17a.** Is it possible to **renew** the start-up visa/residence permit?

Residence permit can be repeatedly extended, each time up to 2 years.

**Q17b.** If yes, what is the renewal period and are the following renewal options possible:

a time limited extension to a visa/residence permit.

Long-term visa is not extendable over 1 year but its holder may apply for a residence permit. Residence permit can be repeatedly extended, each time up to 2 years.

a permanent residence.

Basic conditions include (i) 5 years of continuous residence and (ii) Czech language test (A1 level).

**Q17c.** What are the **main requirements for renewal** of an initial start-up visa/residence permit?

Start-up founders and innovative entrepreneurs:

- > continuing involvement in the company
- > sufficient regular income

Employees:

- > extended labour contract
- > to repeat the labour market test

**Q17d.** Is the actual establishment of the business checked by the responsible authorities when deciding on the extension of the residence permit?

Yes.

**Q17e.** What are the procedures foreseen for TCNs with start-up visas/residence permits if:

- a) Their business ceases being a 'start-up' (e.g. they manage to turn their company into a successful business.
- b) Their start-up fails. In this case, please clarify what would happen to the start-up founder and whether there are other visas/residence permits available for the TCNs to remain in your MS.
- c) Their business plan changes after approval.

a) Such change has no impact on migrant's status.

b) If a start-up founder quits his/her business activities, he/she is no longer able to meet the permitted purpose of stay and he/she has to change his status or leave the country.

c) The applicants for long-term visas for the purpose of business are no required to submit any business plans.

**Q18a.** Are the following **retention measures** in place for the start-up founders and innovative entrepreneurs?

- Simplified renewal process.
- Tax relief schemes.
- Others.

No, they are not. For start-up founders and entrepreneurs the common rules in the area of prolongation of the residence are valid and there are also common rules on income taxes as for the rest of the population.

**Q18b.** Has any **misuse of the migratory pathway** for start-ups and innovative entrepreneurs has been detected in your (Member) State (for example, if someone applies for a start-up/entrepreneur visa to gain access to your (Member) State's territory without the actual intention of founding a start-up/business)?

- Yes.
- No.

**Q18c.** Do you have any information or statistics on the **misuse of migratory pathways**<sup>12</sup> for start-ups and innovative entrepreneurs in your (Member) State?

No, we do not have.

**Q18d.** What is the **survival rate** of start-ups launched by TCNs in your (Member) State?

*Survival rate refers to the number of start-ups that manage to become profitable businesses (see definition).*

Worldwide, the average trend is that almost 90 % of start-ups within the first three years do not survive. We do not have general statistics for the Czech Republic. Within the existing CzechInvests programs (from the year 2010), the trend is opposite – around 220 start-ups got involved and only 20 of them (approx. 9 %) have not survived till now.

**Q18e.** Have there been **any evaluation or studies** of your national schemes on start-ups or other innovative entrepreneurs?

No.

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<sup>12</sup> Misuse of migratory pathways refers solely to the cases in which someone has used the start-up visa/residence permit channel but does not intend to really set up a business and does not refer to potential illegal practices start-ups may be involved in as part of their business.

## Section 6

### CONCLUSIONS

The Czech Republic does not have any special measures in place to attract start-up founders from third countries. No incentives are offered to start-up founders.

Since they do not constitute a special category of migrants, they are given just a standard scope of rights which all third-country nationals admitted for the purpose of business have. The Czech Republic has not introduced any start-up visas or similar special type of visa/residence permit and it does not intend to introduce it in the near future. In case the start-up founders want to set up a business in the Czech Republic, they are granted standard visas and residence permits for the purpose of business activities or employment. Start-up founders could be provided preferential treatment only if they participate in the immigration project called "Welcome Package for Investors".

The Government of the Czech Republic launched this small-scale fast-tracking migration project in 2013. The purpose of this programme is an accelerated procedure for provision of residence permits for internally transferred and localized employees and statutory representatives of foreign investors and also for newly established technology companies (i.e. start-ups). Applications for visas/residence permits submitted by the participants in this project are processed within 30 days (fast-track procedure). Participants in the project may be accompanied by the closest family members.



In order to be involved in the project, a start-up has to conclude an agreement with one of the Czech incubators or an agreement on entry of a technological investor into it. A start-up may benefit from the project for first two years of its existence. The annual quota for applications to the Welcome Package amounts to 150 persons which so far has been sufficient. The Project is implemented by the CzechInvest and several ministries. Till now, no application for start-up with incubation agreement or with entry of technological investor was submitted.

The Czech national policy focuses primarily on the development of ecosystem, programmes and services for start-ups and innovative entrepreneurs.

The content of this study

**MIGRATION PATHWAYS TO EU FOR START-UPS AND INOVATIVE  
ENTREPRENEURS FROM THIRD COUNTRIES**

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