

IntegrAGE project

Individual policy recommendations on age management in project countries

CZECHIA

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1 Czech Republic

1.1.1 Country and Regional Context

The strategic framework is mainly defined by the following strategic documents with relevance to Age Management in Czechia: Strategic Employment Policy Framework 2030, Employment Policy Strategy 2020 and the Action Plan to implement the Strategic Framework for Preparing for an Ageing Society 2023-2025 (see more D.1.2.1). Those are complemented by the main findings from the activity A1.1.

Previous research, particularly qualitative analyses of semi-structured interviews with representatives from business, academia, public administration, and the non-profit sector, indicates that age management remains a low priority in Czech society. In the corporate sector, there is a prevailing view that focusing on employees aged 55+ may be inappropriate or even discriminatory. Nevertheless, individuals aged 55+ face significant challenges in the labour market, especially when seeking new employment. Workplace adjustments, such as additional sick days, are considered mainly in sectors with a higher proportion of older employees, though these benefits apply to all staff regardless of age. Furthermore, the age-related focus has shifted from the 55+ to the 60+ generation, reflecting a gradual increase in the perceived threshold of aging, as active labour market policies were previously aimed at those aged 50+.

1.1.2 Regional methodological approach

On the basis of key strategies and policies related to age management in the Czech Republic, in particular The Action Plan to implement the Strategic Framework for Preparing for an Ageing Society 2023-2025, 4 main areas have been identified during the first phase. These were subsequently discussed at a co-creation workshop with stakeholders. Relevant ideas for action were generated step by step using a brainstorming method and Mural and followed up by the online questionnaire (reflecting evaluation matrix) to evaluate proposed measures. Good practice examples, which had been sought in advance, were also reflected in the proposals. From an initially broader list of measures, those that received the most support at the workshop were selected. Based on the preferred measures, priority areas (alignment with strategies), three measures out of previous eight were selected for further discussion during the validation workshop. The validation workshop aimed at discussion about what should be the policy recommendation, so the measure can be implemented, or implemented faster or at larger scale. The policy recommendations were then evaluated based on simplified criteria of relevance, effectiveness, efficiency, sustainability, impact and feasibility of implementation.

Main stakeholders and participants

The quadruple helix approach was considered when creating the team of stakeholders involved in defining the needs and evaluating the proposed measures. Representatives of the categories of

government (public administration – Ministry of Labour and Social Affairs), academia, industry (enterprises) and civil society (non-profit organisations) were approached. These stakeholders are also involved in other activities within the IntegrAGE project, but only those who expressed interest in a closer form of cooperation were invited to identify proposed age management measures. The validation workshop took place on October 31, 2024 and was co-organised by UJEP and ICUK in a hybrid form.

Figure 1: Structure of Validation Workshop participants

Helix	Name of (selected) institutions	Number
Government	MoLSA, Regional Authority	2
Academia	TUL, UJEP	2
Companies	Materialise	1
Civil society	Age Management, ICUK	2
TOTAL		7

Source: own processing

1.1.3 Measure 1: Part-time job without part-time pay

Description of the measure

One notable age management measure is the concept of "part-time job without part-time pay." This initiative allows older employees, typically those approaching retirement, to reduce their working hours without facing a corresponding reduction in their income. The company compensates for the reduced hours by maintaining the worker's previous full-time salary or a significant portion of it. This measure helps older workers who may struggle with the demands of full-time work due to age-related factors but are not yet ready to retire completely.

For employees, this measure provides a smoother transition into retirement, reduces physical and mental stress, and allows them to remain active in the workforce without financial strain. For companies, it helps retain experienced employees longer, ensuring knowledge transfer and continuity within the organization, while supporting workforce planning.

Barriers and preconditions for successful implementation

In 2015, Bosch CZ introduced the "part-time job without part-time pay" measure, allowing older employees to reduce their working hours while maintaining their full salary. While the initiative received media attention, it has not gained widespread adoption, with only a few companies in the Czech Republic following suit. Most businesses that offer reduced working hours typically do so with a

proportional reduction in salary. A major barrier to wider implementation is the **perceived high cost**, which has raised concerns about potential **resentment** from other employees. These issues were discussed during initial stakeholder workshops, highlighting the need for a shift in perception among employers.

To overcome these barriers, employers need to focus not just on the immediate costs, but also on the **long-term benefits** this measure can offer. By enabling older employees to remain productive while working fewer hours, companies can enhance employee loyalty and reduce the risk of early retirements, which helps preserve valuable skills and experience. Additionally, offering such flexible working arrangements can improve the company's reputation as a socially responsible employer, making it more attractive to new talent. Companies that invest in innovative labour practices may find this measure beneficial for both productivity and employee well-being.

For broader implementation, awareness-raising efforts are crucial. Business associations, labour unions, and government agencies can lead campaigns to promote the measure's benefits. Chambers of commerce could showcase success stories, and government agencies could provide workshops and seminars to help employers implement the program. Financial incentives from the government, combined with strong employer support, would help establish this practice in the labour market, similar to the "Altersteilzeit" programs in Austria and Germany, where public policy support has been key to their success even after subsidies were phased out.

Policy actors and instruments for implementation

For the successful implementation and scaling of the "part-time without part-time pay" measure in the Czech Republic, specific adjustments are required across several existing policy frameworks, funding schemes, and legislative instruments:

1. Strategic Employment Policy Framework 2030: This document addresses long-term trends in the labour market, including ageing and technological shifts. The Framework needs to explicitly incorporate provisions for age management, specifically focusing on initiatives like "part-time without part-time pay." This could be done by adding a dedicated section on flexible work arrangements for older workers, highlighting their contribution to long-term employment sustainability and knowledge transfer. Such an addition would align with the broader EU goals for inclusive growth and an ageing workforce.
2. Action Plan for Preparing for an Ageing Society (2023-2025): While this action plan already emphasizes employment sustainability for older workers, it needs to include specific measures supporting the implementation of the "part-time without part-time pay" initiative. The plan

should be amended to incorporate support mechanisms, such as public awareness campaigns targeting employers and workshops on how companies can implement this measure without financial strain. Additionally, the plan should include a provision for creating financial incentives (e.g., wage subsidies or tax breaks for employers) who adopt the measure.

3. Adjustment to the Employment Act: The Employment Act (Zákon o zaměstnanosti) should be amended to include specific clauses supporting flexible work arrangements for older workers, particularly those close to retirement. This amendment should ensure that companies offering “part-time without part-time pay” have legal backing and clear guidelines on how to implement it. It should also ensure that such arrangements are non-discriminatory and prevent misuse (e.g., ensuring the measure is voluntary and not imposed on workers).
4. New or Adjusted Funding Scheme: A new funding program could be introduced under the European Social Fund Plus (ESF+), which already supports initiatives aimed at labour market inclusion. The funding scheme should be tailored to provide subsidies to cover the wage differential for companies adopting the “part-time without part-time pay” measure. This could be similar to the Altersteilzeit program in Germany and Austria, where the government provided wage compensation for reduced working hours of older employees. Alternatively, the existing OP Employment program could be adjusted to include a specific call for projects supporting flexible working hours for the 55+ demographic, with adjustments made to the eligibility criteria to focus on age management.
5. Legislation for Tax Incentives: Amendments to the Income Tax Act (Zákon o daních z příjmů) could introduce tax benefits for companies adopting age management measures, including the “part-time without part-time pay” initiative. These incentives could include tax deductions or credits for companies covering the wage difference for employees who reduce their working hours as they approach retirement. This would reduce the financial burden on employers and make the measure more attractive for businesses to adopt.

These targeted adjustments in strategic documents, laws, and funding mechanisms will ensure a comprehensive and legally supported framework for the widespread implementation of the “part-time without part-time pay” measure

Impact Assessment

The evaluation of the measure “Part-time job without part-time pay” provides a comprehensive view of the possibilities for introducing flexible working conditions for older workers in the Czech Republic, allowing them to reduce their workload while maintaining full wages. This approach is particularly relevant as it addresses the needs of an ageing population and supports the long-term sustainability of

the pension system. **Relevance and strategic fit** is evident, as the measure aligns with objectives to extend working life, preserve human capital, and foster active ageing, which positively impacts economic growth and social cohesion.

In terms of **coherence and complementarity**, the measure is well-aligned with both national and European strategies that promote flexible working conditions and support the integration of older workers into the labour market. It reinforces the Strategic Employment Policy Framework 2030 and the Action Plan on Preparing for an Ageing Society, while also creating synergies with other initiatives focused on work-life balance, lifelong learning, and intergenerational cooperation. This alignment enables the measure to be effectively linked with employability programs funded by the European Social Fund Plus (ESF+).

Effectiveness of the measure can be anticipated through several positive outcomes. For employees, the measure is expected to reduce physical and psychological stress, facilitate a smoother transition to retirement, and increase job satisfaction. Employers benefit through the retention of experienced staff and the reduction of recruitment and training costs. On a societal level, the measure reduces the burden on the pension system and enhances the economic activity of the older workforce. Indicators of success include the number of employers implementing the measure, the retention rate of older workers, reductions in sickness within the target group, and employee satisfaction survey results.

The measure's **efficiency** is grounded in the establishment of clear implementation processes and mechanisms for monitoring and evaluating impacts. Achieving these aims relies on the active involvement of all stakeholders—employers, employees, trade unions, and state institutions—to ensure that the measure is both practical and adaptable to emerging challenges.

When considering **impact and sustainability**, the measure demonstrates tangible benefits for older workers by allowing them to remain active in the workforce, and for employers, who benefit from the retention of key staff and improvements in company culture. The economy as a whole profits from greater participation by older workers and a reduced burden on social support systems. However, achieving long-term sustainability may require financial incentives, such as tax breaks, as well as broader societal changes in perceptions of the value of older workers.

Finally, regarding **feasibility**, the evaluation workshop identified several legislative, financial, and organizational barriers. Legislative amendments to the Employment Act will be necessary, while employers may encounter increased costs to maintain full wages for reduced hours. Recommendations include tax breaks for companies that implement the measure and educational programs for management and employees to better understand its advantages. Furthermore, the workshop

suggested allowing variable work hours that employees could gradually reduce according to their needs, facilitating adaptation to new conditions and increasing the measure's attractiveness to a wider range of employers.

1.1.4 Measure 2: Older employees train new (younger) colleagues

Description of the measure

Using the knowledge and experience of older workers by involving them in the training of new employees is an effective age management measure. In this model, older employees act as mentors who pass on their years of experience and knowledge gained during their time in the company. This approach not only ensures continuity of working practices and company culture, but also reinforces the sense of value and appreciation of older workers.

At the same time, younger employees help older colleagues learn the new digital tools and technologies needed to do their jobs. This creates a two-way learning process where both generations pass on valuable skills and knowledge to each other. This model promotes intergenerational collaboration, improves working relationships and contributes to the overall efficiency and innovation of the organisation.

Barriers and preconditions for successful implementation

Although some organisations in the Czech Republic are already using the experience and skills of older employees to train new younger colleagues, this measure could be implemented in more companies. An innovative element in the proposed measure is the emphasis on mutual learning, i.e. that the young colleagues also provides certain know-how that leads to professional growth for people 55+, especially in the field of digital tools and technologies needed for work performance.

One of the main pitfalls is the **possibility of problematic communication between older and younger workers**. Differences in communication styles, values, work habits or access to technology can lead to misunderstandings or tensions in the workplace.

A two-way learning process requires openness and willingness to cooperate from both sides. Older employees may be **apprehensive about new technologies** or feel insecure in using them, while younger employees **may lack experience in knowledge transfer** or respect for traditional working practices. These differences can complicate mutual learning and hinder effective collaboration.

To avoid these problems, it is essential to **establish clear rules for communication and cooperation**. Incorporating these rules into **the company's code of ethics** can provide a solid framework for

expectations of employees and facilitate the resolution of potential conflicts. The code of ethics should encourage open, respectful and constructive communication between all employees, regardless of age or experience.

A barrier can also be a **lack of organisation** in the implementation of training, which can lead to the trainer being overloaded with time if their new role does not translate into adjustments to their existing workload.

Another prerequisite for successful implementation is the support of the company's management. Management should actively promote intergenerational cooperation and create an environment where mutual learning and knowledge sharing is a natural part of the company culture. This may include **training on communication skills**, technology and understanding intergenerational differences. Promoting team activities and mentoring programmes can also strengthen cooperation between generations.

It is also important to ensure that **both groups of employees are motivated to participate in** the process. Older employees should be recognised for their experience and contribution to the company, while younger employees should see the value in learning from more experienced colleagues while having the opportunity to contribute their technological knowledge. Motivation can be fostered through **awards, professional development opportunities** or other motivational tools.

Overall, it is crucial to develop a strategy that considers potential barriers and paves the way for effective intergenerational cooperation. This includes not only setting rules and processes, but also **building a culture of mutual respect and openness**. Such an environment will enable all employees to contribute to the success of the organisation by sharing knowledge and skills, thereby maximising the potential of human resources across generations.

Policy actors and tools for implementation

In order to successfully implement and scale up the "Older employees training new (younger) colleagues" measure in the Czech Republic, specific adjustments need to be made to several existing policy frameworks, funding systems and legislative instruments.

1. **Strategic Employment Policy Framework 2030:** The Strategic Employment Policy Framework 2030 emphasises the promotion of employability of all age groups, human capital development, lifelong learning and adaptation to demographic change, including population ageing. The measure "Older employees training new (younger) colleagues" is **in line with these priorities** as it promotes intergenerational cooperation and creates a platform for sharing experiences and knowledge between generations. It also includes peer learning, where younger employees help older ones to learn new digital tools, which helps the workforce adapt to technology and increases the competences of employees. **A major modification of the strategic framework is not necessary** for the successful implementation of this measure in a larger number of companies, as it already contains principles that support intergenerational cooperation and lifelong learning. However, **explicit reference to intergenerational mentoring and peer learning in the workplace could strengthen the focus on this measure and encourage its wider adoption.** Emphasising the importance of **digital inclusion and intergenerational cooperation in the field of technology** could also contribute to a more effective implementation of the measures.
2. **Action Plan for Preparing for an Ageing Society (2023-2025):** It focuses on promoting active ageing, intergenerational solidarity and the inclusion of older people in all areas of social life. The measure "Older employees training new (younger) colleagues" is **in line with the objectives** of this action plan as it promotes intergenerational cooperation, the transfer of knowledge and experience and the retention of older workers in the labour market. Specifically, the measure relates to the priorities of the Action Plan, which include promoting lifelong learning, intergenerational dialogue and creating conditions for prolonging working life. The Action Plan includes measures aimed at improving the competences of older people and their participation in learning activities. In order to successfully implement the measures in a larger number of companies, it would be advisable **to complement the Action Plan with explicit support for intergenerational mentoring programmes in the workplace.** This could include **financial incentives for companies** that introduce such programmes or the **provision of methodological support and education** on the benefits of intergenerational cooperation. It is important to make these aspects more concrete and to focus on practical implementation in the company environment. Adaptation of the Action Plan could include the inclusion of specific

measures to support companies in implementing intergenerational programmes, for example through **training, consultation or sharing of good practice**. This would increase the likelihood that the measure "Older employees train new (younger) colleagues" will be successfully implemented on a larger scale in the Czech Republic.

3. Adjustment to the Employment Act: It regulates employment conditions in the Czech Republic, including active employment policy, retraining and unemployment support. The measure "Older employees train new (younger) colleagues" is in **line with the objectives of this Act**, in particular the promotion of human resources development, the improvement of workers' qualifications and the promotion of intergenerational cooperation. The Employment Act contains provisions on active employment policy, which includes in Section 104 active employment policy, in Section 108 retraining and in Section 109 new employee placement allowance, which can support the process of older employees training new colleagues. However, to strengthen the effect of the measure and its wider acceptance, consideration could be given to **adding a provision to the Act that explicitly promotes intergenerational mentoring and knowledge transfer programmes in the workplace**. This support could take the form of **financial incentives for employers and funding for training older workers in new technologies and digital skills** through contributions from the Labour Office. Specifically, these adjustments would be reflected in **Section 105 - employment guidance and support and Section 114 - socially useful jobs**.
4. **Operational Programme Employment Plus (OPE+), financed by the European Social Fund Plus (ESF+)**: The programme is designed to support employment, social inclusion and education in the Czech Republic for the period 2021-2027. It is **broadly in line with the measure** "Older employees training new (younger) colleagues" and supports its objectives. In particular, its priority 1 'Promoting employment and adaptability of the workforce', as the measure contributes to **retaining older workers in the workforce and enhancing the skills of younger workers** through mentoring, which fulfils the objectives of this priority. Furthermore, priority 2 'Social inclusion and combating poverty', targeting disadvantaged groups, also promotes **social cohesion and intergenerational solidarity**, which is reinforced by the measure. Priority 3 'Education and skills' is also consistent as the measure **promotes lifelong learning and skills development of employees**, in particular through intergenerational learning. In order to successfully implement the measure in a larger number of firms, it would be appropriate to consider sub-adjustments or emphasis within the OPE+. Although OPE+ supports lifelong learning, **explicit mention of intergenerational mentoring programmes** could motivate more companies to introduce them. **The introduction of specific grants or financial incentives for projects focusing on intergenerational cooperation** would encourage firms to implement the measure. **Providing advice, training and sharing best practices** would make it easier for firms to

implement intergenerational programmes. **Investment Priority 1.3 with specific objective 2 to support the adaptability of older workers and the project Support for the training of employees II are relevant for possible adjustments.**

5. Tax incentive legislation: some European countries (notably the Netherlands, Finland and France) offer tax breaks and financial incentives to employers who hire and/or retain older workers. This is therefore not an advantage based on the implementation of a specific instrument, but to promote the positive impact of the age management concept on the employment of people 55+. The incentive for the implementation of individual measures is usually reinforced by subsidy programmes (such as OPE+ or exclusively from national public budgets). In the Czech Republic, financial support is available through contributions from the Labour Office, which compensate part of the costs associated with the employment of older or otherwise disadvantaged people in the labour market. If it would be desirable to modify (extend) this form of support for employers to include tax relief for the employment of persons 55+, it would be necessary to make legislative amendments to the Income Tax Act (conditions for tax relief), the Tax Code (administration of tax relief), the Employment Act (definition of the 55+ target group) and possibly also the Act on Social Security Contributions and State Employment Policy Contributions (in the case of relief on contributions). Companies that already use similar measures today believe that further state support is not needed as the benefits for companies from mutual learning are clear.
6. Popularisation of the topic of mutual learning in companies: according to the MoLSA, trade unions seem to be a suitable partner for a greater extension into company practice and it is therefore desirable to put this topic on the agenda of the Council of Economic and Social Agreement of the Czech Republic (Tripartite).

The implementation of these specific adjustments to strategic documents, laws and financial mechanisms will create a comprehensive and legally sound framework for the widespread introduction of the "Older employees train new (younger) colleagues" measure.

Impact Assessment

This measure responds to the needs of an ageing workforce and promotes the transfer of knowledge between generations, thus helping to maintain the value of older workers in the labour market. The **relevance** of the measure is clear as it contributes to the long-term objectives of age management, such as the active involvement of older workers and increased job satisfaction. The **strategic fit** of the measure is ensured by the link to the objectives, which include intergenerational cooperation and the promotion of career development.

The measure is in **coherence** with national and European policies, such as the Strategic Employment Policy Framework 2030, which promotes lifelong learning and intergenerational cooperation. **Complementarity** is particularly created in conjunction with initiatives funded by the European Social Fund Plus (ESF+), which support labour market sustainability and improve adaptability of the workforce.

Expected results include improved working relationships and employee satisfaction, which will be reflected in a better company culture and lower recruitment and training costs. At company level, the measure promotes economic activity of older workers and intergenerational solidarity. Key indicators of the measure **effectiveness** include the number of companies implementing the programme, the level of involvement of older workers in mentoring and the reduction of turnover during the probationary period.

The measure's **efficiency** requires the involvement of employers, trade unions and state institutions. Transparent monitoring processes and regular impact assessments are key to ensure effectiveness. It is recommended to introduce formal mentoring programmes and workshops to promote knowledge sharing.

The measure has tangible **impacts** on the target groups. Older employees gain recognition and a meaningful role, while younger employees benefit from practical skills and professional guidance. However, **sustainability** requires long-term management support. Possible external incentives such as tax breaks for companies implementing the measures do not seem entirely necessary.

Identified barriers to **feasibility** include organisational and legislative barriers, such as resistance to intergenerational cooperation or the need to adapt processes. It is recommended to strengthen promotion by the state with the involvement of Tripartite actors.

1.1.5 Measure 3: Financial support for start-ups of 55+

Description of the measure

According to surveys conducted by the Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic (AMSP ČR), the number of people starting a business at a later age is growing, a trend that is interpreted as an impact of the lengthening working life and interest in active ageing. The OECD report "Inclusive Entrepreneurship Policies: Country Assessment Notes" from 2022 states that some seniors in the EU use self-employment as a bridge between the working age and retirement stages of life. Entrepreneurship allows them to reduce their workload and have control over their work performance. In many European countries, there is a system of support for people who choose to become entrepreneurs later in life.

The proposed measure "Financial support for start-ups of 55+" is aimed at supporting entrepreneurial activities of people aged 55+. The aim is to facilitate the entry into entrepreneurship for older people who have a wealth of experience and expertise, but may face barriers to obtaining finance and the necessary skills. Financial support would include the provision of start-up grants to cover initial costs, soft loans with lower interest rates or longer repayment periods, and other financial instruments to facilitate the financing of new business projects.

In addition to financial assistance, the measure would offer non-financial support in the form of mentoring, expert advice and networking activities. Older start-up entrepreneurs would have access to one-to-one consultations with experts, participation in business skills training and the opportunity to network with other entrepreneurs and investors. This comprehensive support would help people 55+ to overcome barriers to starting a business, leverage their experience and contribute to economic growth and innovation in the Czech Republic.

Barriers and preconditions for successful implementation

Currently, start-up entrepreneurs are provided with **advisory and financial assistance through the Labour Offices**, but in reality, this option is very little used, which is largely due to the fact that **very little is known** about these activities of the Labour Office among the citizens of the Czech Republic. At the same time, these forms of support are not targeted at any specific group of the population and are thus intended for everyone.

The implementation of the measure "Financial support for start-ups of 55+" may face several obstacles that need to be considered for its successful implementation. One of the main concerns is that supporting entrepreneurship of people aged 55+ **could cause harm to existing firms** that may lose key employees. Experienced workers may leave their current jobs for their own businesses, which could lead to a shortage of skilled professionals in some sectors and disrupt business continuity. Another concern is the abuse that could occur in a situation where combined with another measure, such as the possibility of reducing working hours without reducing pay for those 55+ who would also benefit from financial support to start a business.

On the other hand, the benefits of this measure are considerable, especially for the **career development and well-being of people aged 55+**. Promoting entrepreneurship in this age group can lead to greater job satisfaction, self-fulfilment and active participation in economic life. Older entrepreneurs can bring innovative ideas to the market and use their wealth of experience and expertise, which can have a positive impact on the economy as a whole.

For successful implementation, it is necessary to create preconditions that minimize potential negative impacts on existing firms. This may include, for example, programmes for the **gradual transition of employees into a business** where they can continue to work with their former employers, or **support**

for intergenerational knowledge transfer before they leave. It is also important to ensure that financial and non-financial support is effectively targeted to encourage 55+ people to enter business without undue risk to current employers. Communication and **cooperation between government, businesses and potential entrepreneurs** is also key to **find a balanced solution** that benefits all stakeholders.

Policy actors and tools for policy implementation

In order to successfully implement and scale up the measure "Financial support for start-ups of 55+" in the Czech Republic, it is necessary to make concrete adjustments to several existing policy frameworks, funding systems and legislative instruments.

1. Strategic Employment Policy Framework 2030: The document aims to promote the employability of all age groups, develop human capital, and support active ageing. In view of these priorities, the proposed measure "Financial support for start-ups of 55+" is in line with the objectives of the strategic framework, especially in the areas of promoting economic activity of older people and lifelong learning. The measure would directly benefit people aged 55+ who decide to become entrepreneurs, thus contributing to prolonging the economic activity of this age group and developing their professional skills. The framework already includes objectives aimed at strengthening the employability of older people and promoting flexible forms of work. A major modification of the framework is therefore not necessary to implement the measure on a larger scale, but its addition of specific support for older entrepreneurs could significantly enhance the success of the measure. A recommendation would be, for example, to include explicit support for entrepreneurship programmes for people 55+ with targeted financial support, mentoring and training to develop their entrepreneurial skills in the priorities. This could strengthen strategic support for the measure and increase motivation for entrepreneurship in this age group. Relevant parts of the strategic framework focus on human capital development and promoting active ageing. The priority of developing the employability of older people, which includes support for their flexible participation in the labour market, has a direct link to the proposed measures. Targeted measures within this framework could motivate older people not only to enter employment but also to become self-employed, thereby further strengthening the economic potential of this age group. In terms of implementation of the measures, key stakeholders are the Ministry of Labour and Social Affairs (MoLSA), which coordinates the strategy, the Labour Offices, which could provide information on this support, and business associations such as AMSP ČR, which focus on promoting entrepreneurship in different age groups. The cooperation of these entities would enable the effective implementation of the measure "Financial support for start-ups of people 55+" and

contribute to the development of entrepreneurship among the older population in the Czech Republic.

2. **Action Plan for Preparing for an Ageing Society (2023-2025):** The plan promotes active ageing and the extension of working life and is therefore in **line with the measure** "Financial support for start-ups of 55+". This measure would contribute to the economic participation of older people through entrepreneurship, which helps the sustainability of the labour market and the pension system. However, in order to implement it on a larger scale, it is recommended to **complement the Action Plan with specific programmes for older entrepreneurs, combining financial support** (grants, soft loans) **with non-financial assistance** such as mentoring and expert advice. Key stakeholders for the implementation of this measure are the Ministry of Labour and Social Affairs, Labour Offices, business associations (e.g. AMSP ČR), and NGOs. The MoLSA would act as the main guarantor and the Labour Offices would provide information and access to support. The AMSP CR and other business organisations could provide training and advisory services and help connect new entrepreneurs with mentors, effectively targeting support to people 55+ with entrepreneurial potential.
3. **Employment Act:** It regulates the conditions of employment support and active employment policy, including support for disadvantaged groups on the labour market, including older persons. The measure "Financial support for start-ups of 55+" **is to some extent in line with the intention of the Act to promote the employability of various groups of the population, but in its current wording the Act does not primarily address support for entrepreneurial activities of older persons**. Rather, it focuses on retraining, employment allowances and job support through grants and contributions. For the successful implementation of the "Financial Support for Start-ups of 55+", it would be advisable to supplement the Employment Act with provisions aimed at supporting entrepreneurship of older persons. For example, it is recommended that **Section 104 (Active Employment Policy)** be extended **to include instruments to support entrepreneurial activities** such as grants or soft loans for people 55+. Modifications could also include the provision of training and counselling so that support is not only financial but also includes mentoring and assistance in entrepreneurship. Key stakeholders in the implementation of the measure would be the Ministry of Labour and Social Affairs, which would amend the law, and the Labour Offices, which would provide information, facilitate access to financial support and organise training for older start-up entrepreneurs.
4. **Operational Programme Employment Plus (OPE+), funded by the European Social Fund Plus (ESF+):** the programme supports employment, social inclusion and the development of workforce skills in the Czech Republic. OPE+ focuses on increasing the adaptability of workers and promoting lifelong learning, which is in line **with the measure** "Financial support for start-ups of 55+". This measure would contribute to strengthening the economic activity of older people, promoting their professional growth and entrepreneurial skills, which is in line with

the OPE+ objectives of inclusion and adaptation to the changing labour market. A major modification of the OPE+ would not be necessary for the successful implementation of the measure on a larger scale, but its supplementation with specific programmes targeting people 55+ could enhance its effectiveness. It is recommended **that OPE+ should include explicit support for the entrepreneurial activities of older people, not only through financial instruments** such as grants or soft loans, but also through **non-financial support in the form of training and mentoring**. The key stakeholders would be in particular the managing authority of the OPE+ (MoLSA), which would ensure the launch of calls and funding, and the Labour Offices, which would provide information on support opportunities. Business associations could also play a crucial role, providing advice and training to support entrepreneurship for people over 55.

5. **Legislation:** The introduction of tax incentives for people 55+ who start a business would be an appropriate tool to reduce the financial burden and motivate older people to enter the business market. **The most appropriate form of relief could be to reduce social security and health insurance contributions in the early years of the business, which would significantly reduce fixed costs and improve the sustainability of new businesses.** Alternatively, tax deductions or income tax rebates could be introduced for older start-ups. In both cases, legislative change would be necessary, namely in **the Income Tax Acts** (§ 34 non-taxable parts of the tax base, § 35 tax rebates and adjustment of income tax advances), the **Social Security and State Employment Contributions Acts** (§ 7 et seq. - amount of insurance premiums, exemption from minimum contributions), the **Public Health Insurance Act** (§ 3 et seq. - minimum advances for health insurance) **and the Employment Act** (§ 104 active employment policy). Further adjustments to the legal framework, in particular to **Act on the support of SMEs**, would be needed due to the provision of guarantees through the state budget. Provisions specifically aimed at the target group of entrepreneurs 55+ would need to be added.
6. **Labour Offices:** existing **support programmes** (funding for starting a business, advisory services for start-ups) are currently **very little used** and most potential beneficiaries are not aware of them. This is largely due to the fact that the agenda of the Labour Offices is primarily focused on unemployed jobseekers and social benefits mediation. These support programmes belong to active employment policy, but their beneficiaries may not be unemployed and therefore would not think of seeking assistance from the Labour Office. The solution could be to **set aside this agenda and entrust another entity with its implementation**. Inspiration could come from the way the so-called Spoints, contact points for social entrepreneurship, are managed, which are under the responsibility of the Ministry of Labour and Social Affairs, but are located in regional innovation centres, etc.
7. **Other stakeholders:** Loan guarantees could be implemented, for example, through the **National Development Bank (NDB), which** would provide partial guarantees for loans to older

start-ups. The guarantees could cover 60-80% of the loan amount, which would encourage banks to be more accommodating when considering loan applications from those 55+. For effective mentoring and networking of older start-ups, it would be useful to involve not only **business associations and universities**, but also **NGOs, banks, European networks and experienced investors**. For example, **Erasmus for Young Entrepreneurs** also allows older entrepreneurs to network with experienced entrepreneurs from across the EU, which could support their networking in an international environment. This diverse support would increase the chances of success and make it easier for entrepreneurs aged 55+ to effectively enter the business environment.

Impact Assessment

The evaluation of the measure "Financial support for start-ups of 55+" provides a comprehensive insight into fostering entrepreneurship among older workers in the Czech Republic. This initiative supports active ageing by offering financial and non-financial assistance to individuals who face challenges re-entering the labour market. The measure's **relevance and strategic fit** is evident, addressing the growing interest in entrepreneurship in later life and contributing to the long-term goals of enhancing economic activity, social inclusion, and the sustainability of the pension system.

In terms of **coherence and complementarity**, the measure aligns well with both national and European strategies promoting employment and lifelong learning. It supports the Strategic Employment Policy Framework 2030 by fostering adaptability and integrating older individuals into the labour market. Furthermore, it creates synergies with initiatives funded by the European Social Fund Plus (ESF+), which emphasize employability and skill enhancement, complementing broader efforts to support older workers.

The **effectiveness** of the measure can be anticipated through tangible benefits. For individuals aged 55+, the program enhances entrepreneurial skills and creates opportunities for economic activity and self-realization. For society, it contributes to innovation by leveraging the rich experience of older workers. Success indicators include the number of new businesses established by individuals aged 55+, the sustainability of these businesses over 1-3 years, and participation in mentoring and networking activities.

The measure's **efficiency** relies on robust management and monitoring processes. Effective implementation requires the involvement of key stakeholders, including state institutions, business organizations, and labour offices. Monitoring mechanisms must assess the impacts of financial and non-financial support while ensuring transparency. Mentoring and advisory services are crucial for knowledge sharing and networking opportunities, enhancing the sustainability of new businesses.

Considering **impact and sustainability**, the measure delivers significant benefits to the target group by improving their financial and social well-being through entrepreneurship. Businesses founded by individuals aged 55+ contribute valuable expertise and innovation across various sectors. However, long-term sustainability requires integrating this support into standard business assistance frameworks to reduce reliance on external funding while maintaining access to advisory services.

Regarding **feasibility**, several financial and organizational barriers have been identified. Challenges include securing sufficient funding for start-up grants and disseminating information about available support to eligible applicants. Legislative amendments, such as updates to the Act on the support of SMEs, could strengthen the framework for assisting entrepreneurs aged 55+. Recommendations include introducing start-up grants, providing tax incentives for businesses established by older individuals, and establishing dedicated support centres to offer accessible guidance and mentorship.

1.1.6 Summary

The overall impact assessment of the proposed measures emphasizes their strategic relevance in addressing the challenges of an ageing workforce in the Czech Republic. Measures such as “Part-time job without part-time pay,” “Older employees training new (younger) colleagues,” and “Financial support for start-ups of 55+” offer flexible working arrangements, enhance intergenerational knowledge transfer, and promote entrepreneurship among older workers. These initiatives align well with national and EU strategies, contributing to employment sustainability, economic activity, and social cohesion. Expected benefits include improved job satisfaction, retention of experienced employees, reduced recruitment costs, and increased adaptability in the labour market. However, barriers such as perceived high costs, legislative gaps, and organizational resistance must be addressed. Success depends on stakeholder cooperation, legislative support, financial incentives, and awareness-raising campaigns to foster a supportive environment for older workers.

Implication for the Action Plan

The action plan should prioritize legislative amendments (those might differ at national level), financial incentives, and capacity-building measures to promote the successful implementation of age management initiatives. Specifically, it should include dedicated support for flexible work arrangements, intergenerational mentoring programs, and entrepreneurial activities for the 55+ demographic. Public awareness campaigns, workshops, and knowledge-sharing platforms should be organized to improve employer understanding of the long-term benefits of these measures. Moreover, creating a new or adjusted funding scheme under the European Social Fund Plus (ESF+) and introducing tax incentives can encourage companies to adopt innovative age management practices. Effective monitoring and evaluation frameworks are essential to assess progress, ensure sustainability, and guide

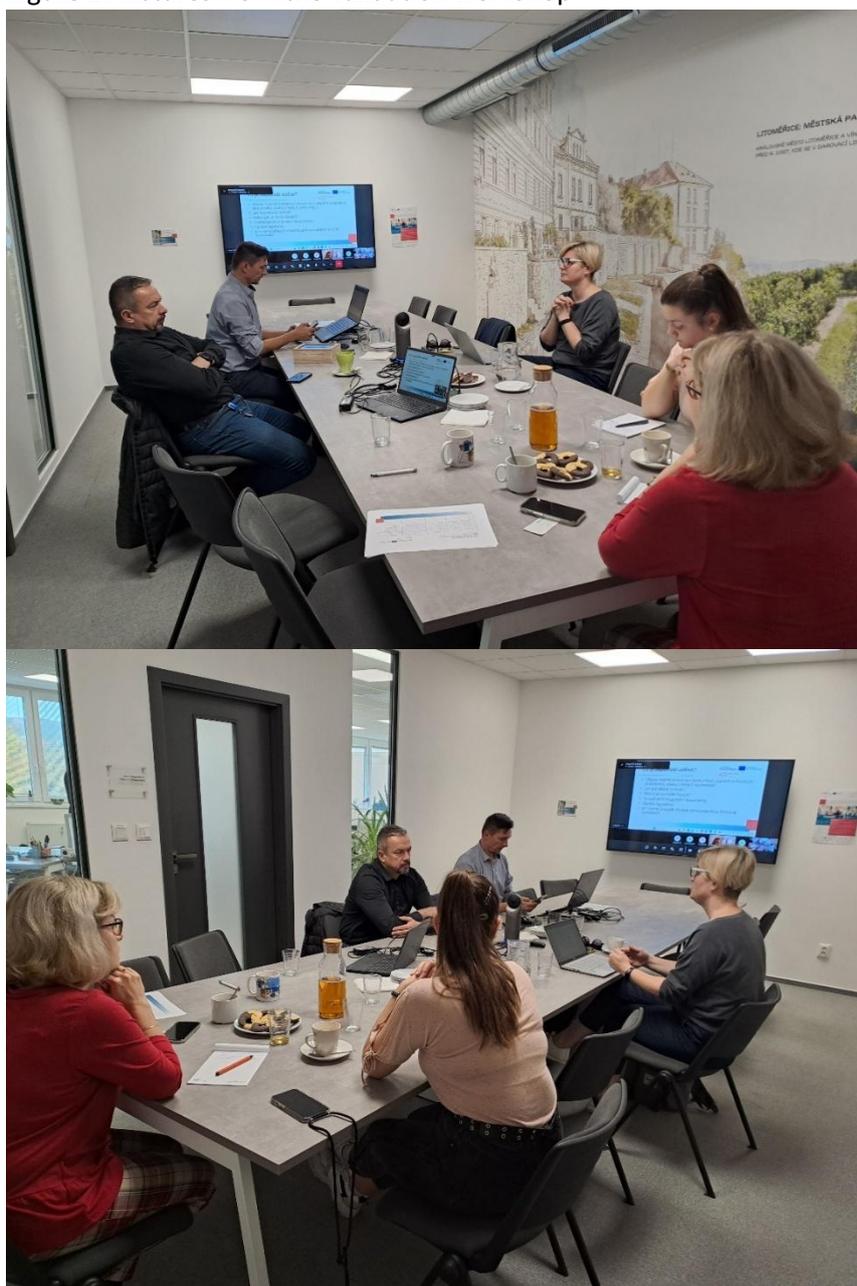


further policy refinements. The action plan must foster collaboration between government, employers, trade unions, and business associations to build a socially responsible and inclusive labour market.



2 Appendices

Figure 2: Pictures from the validation workshop



Source: own processing