Investment Committee of the InvestEU Fund

Meeting no 36 of 16 December 2024

Online

FRAMEWORK OPERATION #50 FOR THE INNOVATION AND DIGITALISATION GUARANTEE – SPAIN InvestEU MEMBER STATE COMPARTMENT (Capped and/or Uncapped Guarantee) (ES)

INVEU-ICR-0101-2024 –SME Window (SMEW)

Short description of the financing or investment operation and its objectives

Type of the financial intermediaries	- Mostly commercial banks
Final recipients	SMEs Small Mid-Caps
Country of implementation	Spain
Implementing partner	EIF

Under this Framework Operation, Sub-Projects will be entered into with financial intermediaries supporting final recipients complying with at least one of the following product eligibility criteria: Innovation and/or Digitalisation.

The Innovation and Digitalisation Guarantee shall provide support to innovation and digitalisation driven SMEs and Small Mid-Caps. Consequently, it-shall aim to enhance access to finance to R&I intensive SMEs and Small Mid-Caps as well as support the uptake of digital technologies and digital transformation of enterprises. Digitalisation, particularly- investment in Information Communication Technologies (ICT) has a strong impact on innovation, job creation, productivity, SME competitiveness and economic growth. Additionally, the Innovation and Digitalisation Guarantee shall also seek to support investments aiming to enhance the transfer of technologies and research results to the market to support market enablers and cooperation between enterprises, the demonstration and deployment of innovative solutions and support for the scaling up of innovative companies.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 16 December 2024 for the above-mentioned operation.

Additionality shall be deemed to be met via each Sub-Project as financial intermediaries will originate final recipient transactions which carry a higher risk profile than the risk generally deemed acceptable by such intermediary, inter alia, in the form of targeting final recipients of lower creditworthiness; or implementing financial solutions in line with the enhanced access to finance measures which carry an increased risk profile.

The Sub-Projects will address specific market failures or suboptimal investment situations in Spain, in particular financial hurdles faced by Spanish enterprises in accessing finance, namely: increased cost of finance, lack of collateral and-impaired credit channels. Especially addressing the difficulties for start-ups and early- stage R&D Spanish companies to access traditional funding for their growth, while the latter seek bespoke financing arrangements (grace periods, larger shares of bullet or balloon loans, longer tenors; etc.).

Besides, the Sub-Projects will aim at addressing the investment gap of Spanish SMEs and Small Mid-Caps in research and innovation (which is a critical driver of productivity and economic growth, and essential for maintaining competitiveness), as well as promoting the digital transformation of businesses and contributing to the development-of digital infrastructures and digital skills and the improvement of the competitiveness and resilience of the economy.