

Conclusions

(FOURTH) FRAMEWORK OPERATION #57 FOR THE INNOVATION AND DIGITALISATION GUARANTEE PRODUCT- IEU (CAPPED AND OR UNCAPPED) (Multi-country, Norway, Iceland) INVEU-ICR-0076-2025 - SME Policy Window (SMEW)

Short description of the financing or investment operation and its objectives

Name of financial recipient	Financial Intermediaries such as commercial banks, leasing companies, guarantee institutions, alternative lenders, National Promotional Banks or Institutions
Type of the final recipients	SMEs (incl. Micro Enterprises); Mid-Caps (Small Mid-Caps)
Countries of Implementation	Member States (and potentially Overseas Countries and Territories) as well as other Participating Countries (Norway/Iceland) Some of the countries may be covered via Multi-country Sub-Projects
Implementing Partner	European Investment Fund (EIF)

This Framework Operation aims at supporting Sub-Projects targeting innovation driven SMEs and Small Mid-Caps pursuing their innovation and digitalisation activities. Consequently, through portfolio guarantees, it aims to enhance access to finance of target final recipients as well as support the uptake of digital technologies and digital transformation of enterprises. Additionally, the Sub-Projects will target also investments to

- enhance the transfer and research to the market,
- support scaling up of innovative companies, deployment of innovative solutions leading to new or substantially improved products, processes, services; production or delivery models and organizational and business models
- integration of digital technologies in business models and development, supply chain management, customer relationships, cybersecurity.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 16 September 2025 for the above-mentioned operation.

Additionality

Additionality shall be deemed to be met in all those cases where a financial sub-intermediary originates final recipient transactions with reduced pricing conditions and which carry a (typically) higher risk profile. Guarantee instruments are typically implemented by EIF via third-party mandates, with EIF either taking the senior position in the case of uncapped guarantees or managing the resources of mandators in the case of capped guarantees.

Market gap

Conclusions

This Framework Operation is aimed at provision of support towards enhancing access to finance for target final recipients in the research, innovation and digitalisation space. These sectors represent critical drivers of productivity and long-term economic growth as well as an essential tool for maintaining EU's global competitiveness. However, a persistent investment and access to finance market gap remains, often driven by the inability for target final recipients operating in such sectors, especially in innovation developing regions, such as CEE, to provide tangible collateral/security, and thus, excluded from traditional financing opportunities. Alternatives to bank finance (e.g. lending platforms, alternative lenders etc.) are especially important for SMEs, young innovative firms and startups. Furthermore, lower access to risk capital remains a constraint to scaling up of such companies.