

Conclusions

**Framework operation #35 for Innovation and Digitalisation Guarantee -
Greece InvestEU Member State Compartment (Capped Guarantee)
INVEU-ICR-0071-2023 –SME Window (SMEW)**

Short description of the financing or investment operation and its objectives

Type of the financial intermediaries	Mostly commercial banks
Country of implementation	Greece
Implementing partner	EIF

The framework operation aims at providing support to innovation and digitalisation driven SMEs and Small Mid-Caps in Greece. It will help enhancing access to finance to R&I intensive SME and Small Mid-Caps as well as support the uptake of digital technologies and digital transformation of enterprises. In line with the Recovery and Resilience Plan, Sub-Projects will focus on addressing the investment gap for Greeks SMEs and Small Mid-Caps in research, innovation, promote the transformation of businesses and contribute to the development of digital structures and skills.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 9 November 2023 for the above-mentioned operation.

In line with the recovery and Resilience Plan, the Framework Operation will address Greek market failures regarding the high investment gap of Greek SMEs and Small Mid-Caps in research and innovation due to limited fund-raising environment, increased cost of finance and lack of collateral and impaired credit channel. Furthermore, despite some progress made by Greek businesses in the area of digitalisation to cope with pandemic, the overall performance remains very low compared to EU average. Hence sub-Projects would be focused on addressing the investment gap of Greek SMEs and Small Mid-Caps in research and innovation, promote the digital transformation of businesses and contribute to the development of digital infrastructure and digital skills, as well as the improvement of the competitiveness and resilience of the Greek economy.

The Investment Committee recognized the additionality of the operation lying in the limited availability financing for SMEs it will help addressing by supporting the latter in more favourable terms regarding pricing conditions and collateral requirements among others. The EU Guarantee will allow EIF to develop its Innovation and Digitalisation Guarantee Product to enter into guarantees with financial intermediaries supporting higher risk category final



Investment Committee of the InvestEU Fund

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recipients, thus supporting the SME ecosystem at a scale that would not be possible or not to the same extent.

Supporting those sectors are crucial for Greece economy since they represent critical drivers for productivity and long-term economic growth as well as an essential tool for maintaining competitiveness.