



Investment Strategy

España Crece

Contents

➤ 1. Management principles	03
➤ 2. Scope of application	04
➤ 3. Transactions ineligible for funding	04
➤ 4. Allocation of the capital received across financial instruments, sectors and beneficiaries, specifying the expected leverage and investment time horizon	05
➤ 5. Final beneficiaries	07
➤ 6. Allocation of transfers to subsidise eligible financing transactions	07
➤ 7. Green tagging	08
➤ 8. Co-financing with the private sector	09
➤ 9. Establishment of the España Crece promotional portfolio.....	09
➤ 10. ICO control and monitoring	09
➔ Annex I: Activities and assets ineligible for financing	10
➔ Annex II: Sectors excluded from general support for businesses	11
➔ Annex III: Fields of intervention for green tagging	12

Order ECM/728/2026 of 13 July, approving the Investment Strategy of the 'España Crece' programme and setting out the general public policy guidelines for its implementation by the Instituto de Crédito Oficial, stipulates that the General Board of the Instituto de Crédito Oficial shall approve an Investment Strategy setting out the financial instruments and their characteristics, within 30 days following publication of the Order. The Investment Strategy shall be indicative only and shall specify: the amounts allocated to the fields of implementation; the eligible final beneficiaries, who must have some connection with the EU; the transactions eligible for funding; and the expected leverage multiplier. Furthermore, the Investment Strategy shall set out the allocation of the eligible component, the earmarking requirements and the planned implementation timetable.

At its meeting on 28 July 2026, the General Board of the Instituto de Crédito Oficial approved the following items:

1. Management principles

The programme shall be implemented in accordance with the following principles:

- I. Independence and autonomy in the management of the Instituto de Crédito Oficial within the framework of this Ministerial Order.
- II. Sound financial management in accordance with Article 33 of Regulation (EU) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union.
- III. Prevention of fraud, corruption and conflicts of interest.
- IV. No double funding.
- V. Compliance with the 'Do No Significant Harm' (DNSH) principle.
- VI. Traceability and transparency in fund management.
- VII. Operations shall be conducted on market terms, at prices sufficient to cover financing costs, the risks assumed and administrative expenses, while ensuring a return commensurate with the risk associated with each operation.
- VIII. Compliance with the publicity requirements for European Union funds.

2. Scope of application

Transactions eligible for financing under España Crece shall fall within one of the following areas:

- I. Economic sectors with high productivity and significant potential to transform the economy, where structural funding gaps exist.
- II. Promotion, marketing and management of housing projects, particularly where they focus on affordable and/or social housing.
- III. Investments in energy efficiency, renewable energy and self-consumption, energy management and digitalisation, energy-efficient building refurbishment, electric mobility, improvement of water resilience, enhancement of natural capital and climate adaptation, and major green infrastructure projects.
- IV. Financing for small and medium-sized enterprises.
- V. Other strategic priorities in line with economic policy guidelines at national or European level.

Furthermore, projects falling within any of the activities listed in Annex VI to Regulation (EU) 2021/241 establishing the Recovery and Resilience Facility, as fields of intervention with a coefficient of 40% or 100% for calculating support for climate objectives, shall be eligible for investment where the transactions are financed from funds earmarked for green-tagged operations.

3. Transactions ineligible for funding

In accordance with the provisions of Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021, establishing the Recovery and Resilience Facility (RRF), transactions financed under España Crece shall comply with the 'do no significant harm' principle, as set out in the DNSH Technical Guidance (C/2023/111).

Specifically, the activities and assets listed in Annex I shall not be eligible for funding or subsidies.

Furthermore, in the case of general support for businesses, businesses that focus primarily¹ on the sectors listed in Annex II shall be excluded.

Furthermore, final beneficiaries must ensure that all funded activities comply with applicable national and EU environmental legislation.

¹Final beneficiaries are considered to be 'primarily focused' on a particular sector or business activity where that sector or activity is determined to account for a substantial proportion of their commercial operations, as measured by gross revenue, profits or customer base. In any event, the gross revenue generated by the specific sector or activity must not exceed 50% of total gross revenue.

4. Allocation of the capital received across financial instruments, sectors and beneficiaries, specifying the expected leverage and investment time horizon

The following financial instruments may be deployed, on an indicative basis, up to the amounts specified, using the capital received. The corresponding areas of investment, beneficiaries, expected leverage and investment time horizons are also indicated for each instrument as indicative parameters.

Financial instrument	Amount (M€)	Beneficiaries	Field of activity	Expected leverage	ICO balance sheet assets	Investment time horizon	Fields of intervention under Annex VI (*)
Financial guarantees	3,500	SMEs	Bridging the funding gap for SMEs	X8	28,280	10 years	010ter 024 024ter 027 029 047 074
Loans	3,500	SMEs (900 million)	Bridging the funding gap for SMEs (900 million)	X8	7,270	10 years	010ter 024 024ter 027 029 047 074
		Mid-caps (300 million)	Bridging funding gaps for mid-caps in sectors with high productivity and potential for transformation, and the energy transition (300 million)	X6	1,810	10 years	010ter 024 024ter 027 029 047 074
		Companies investing in housing (2,000 million)	Affordable housing (2,000 million)	X6	12,120	10 years	025ter
		Commercial companies investing in infrastructure (300 million)	Sectors with high productivity and potential for transformation, and the energy transition (300 million)	X6	1,810	10 years	027 028 029 030 030bis 031 032 033 064 065 066bis 067 068 069bis 077

² The fields of intervention identified in each instrument are indicative and could be extended to any field of intervention listed in Annex VI with a climate contribution of 40% or 100% under Regulation 2021/241 (RRF).

Financial instrument	Amount (M€)	Beneficiaries	Field of activity	Expected leverage	ICO balance sheet assets	Investment time horizon	Fields of intervention under Annex VI (*)
Equity investments	3,891	Venture capital funds and funds of funds (3,616 million)	Sectors with high productivity and potential for transformation, and the energy transition (3,616 million)	X2.2	7,955	10 years	010ter
							022
							024
							024ter
							027
		Investment vehicles for housing development (275 million)	Affordable housing (275 million)	X6	1,667	10 years	028
							029
							030
							030bis
							031
							032
							033
							047
							077
TOTAL	10,891	10,891		X5.7	60,912	10 years	

The above limits reflect general public policy guidelines regarding the scale of intervention required to address each identified funding shortfall. The General Board may adjust these amounts in response to recorded demand for the instruments and changes in the identified funding shortfalls. It may also deploy other financial instruments deemed necessary to achieve the objectives of España Crece, subject to reporting to the Monitoring Committee in accordance with Order ECM/728/2026.

In the case of guarantees and loans, the following transactions may be financed:

- I. Investment in fixed assets, both tangible and intangible, including intangible assets broadly defined as elements that contribute to the creation of long-term value, regardless of whether they meet the accounting criteria for capitalisation on the balance sheet.
- II. Working capital associated with the financed investment project.
- III. Provision of technical guarantees to facilitate innovation processes, pilot projects, technology procurement or other initiatives linked to the modernisation of production.
- IV. Acquisition of shareholdings in companies that facilitate the generational succession among the majority shareholders of a family business, expand production capacity, improve access to finance, or ensure the supply of key inputs for the production process.
- V. Acquisition of own shares by family businesses up to the limit set out in the Ley de Sociedades de Capital (Companies Act) with a view to facilitating generational succession among majority shareholders.

5. Final beneficiaries

Commercial companies, temporary consortia, venture capital funds (including funds of funds), investment vehicles and any other legal form through which business, infrastructure or property development projects are carried out may be final beneficiaries of the financing operations.

Direct or indirect public ownership of a final beneficiary shall not, in itself, constitute grounds for exclusion from funding, provided that the transaction complies with the programme's objectives, applicable State aid rules and, where relevant, market conditions or the legal framework governing services of general economic interest.

6. Allocation of transfers to subsidise eligible financing transactions

The allocation of the eligible component shall be made in accordance with the following breakdown:

- I. €1 billion to subsidise financing or guarantees for the development, marketing and management of affordable and/or social rental housing.
- II. €600 million to subsidise financing or guarantees for energy transition and decarbonisation projects.
- III. €1.2 billion to subsidise financing or guarantees for projects aimed at transforming production.

The allocation of this component shall be indicative and may be adjusted by the General Board of the Instituto de Crédito Oficial in light of the programme's progress and implementation, subject to prior reporting to the Monitoring Committee established under the Ministerial Order.

7. Green tagging

The portfolio of financed transactions must comply with the green tagging requirements set out in Annex VI to Regulation (EU) 2021/241, as follows:

- I. €1,552 billion of the additional capital financed through loans must be leveraged to finance transactions qualifying for 100% green tagging, in accordance with the provisions of Annex VI to Regulation (EU) 2021/241. Such transactions may include, among others, support for projects to renovate the existing housing stock to improve energy efficiency, solar energy projects and rolling stock for clean urban transport.
- II. €1,850 billion of the additional capital financed through loans must be leveraged to finance transactions qualifying for 40% green tagging, in accordance with the provisions of Annex VI to Regulation (EU) 2021/241. Such transactions may include, among others, support for the construction of new energy-efficient buildings, energy efficiency projects for SMEs, and support for environmentally friendly and resource-efficient production processes for SMEs.
- III. €600 million of the transfers received and the additional capital financed through transfers must be allocated to projects qualifying for 100% green tagging, in accordance with the provisions of Annex VI to Regulation (EU) 2021/241. Such projects may include, among others, support for the renovation of existing housing stock to improve energy efficiency, solar energy projects and rolling stock for clean urban transport.
- IV. €1 billion of the transfers received and the additional capital financed through transfers must be allocated to projects qualifying for 40% green tagging, in accordance with the provisions of Annex VI to Regulation (EU) 2021/241. Such projects may include, among others, support for the construction of new energy-efficient buildings, energy efficiency projects for SMEs, and support for environmentally friendly and resource-efficient production processes for SMEs.

8. Co-financing with the private sector

Operations financed from the España Crece funds should preferably be carried out in partnership with the private sector; in such cases, as a general rule, the Instituto de Crédito Oficial's share of the financing shall remain below 50%.

9. Establishment of the 'España Crece' promotional portfolio

The General Board establishes the España Crece Promotional Portfolio, to which the own funds reinforced under the programme and the transactions financed with those funds are allocated. The portfolio shall be managed in such a way as to ensure traceability of resources and transactions, without affecting the integrity of the ICO's balance sheet or its management of transactions in accordance with banking criteria and for its own account and at its own risk.

10. ICO control and monitoring

ICO shall establish ex ante and ex post control, monitoring and reporting mechanisms to verify compliance with the programme's objectives, in accordance with the requirements of the Recovery, Transformation and Resilience Plan (PRTR) and EU legislation. It shall also maintain a separate monitoring system for transactions financed under the programme, ensuring sufficient traceability to identify the origin and allocation of resources, the concessional component applied and the extent to which that benefit is passed on to the final beneficiary.

In particular, the Instituto de Crédito Oficial shall apply to transactions financed through España Crece the same audit and control systems that have received a positive assessment from the European Commission pursuant to Article 157 of Regulation (EU, Euratom) 2024/2509. This system shall include, at a minimum: verification of the eligibility of transactions and final beneficiaries in accordance with the specified areas of intervention and exclusions; controls aimed at preventing fraud, corruption, conflicts of interest and double funding; verification of compliance with the 'do no significant harm' (DNSH) principle; and retention of the supporting documentation necessary to ensure a complete audit trail for the funds, as required by Regulation (EU) 2021/241.

Annex I: Activities and assets ineligible for financing

- I. Activities and assets relating to fossil fuels, including their downstream use, except for:
 - (a) assets and activities involving the generation of electricity and/or heat from natural gas, together with the associated transmission and distribution infrastructure, provided they meet the conditions set out in Annex III to the Technical Guidance on the application of the 'do no significant harm' principle (2021/C58/01); and (b) the activities and assets referred to in point (ii), where the use of fossil fuels is temporary and technically unavoidable as part of the transition to fossil-fuel-free operation within a reasonable timeframe.
- II. Activities and assets covered by the EU Emissions Trading System (EU ETS) where the projected greenhouse gas emissions are not expected to be below the relevant benchmarks. Where greenhouse gas emissions from the subsidised activity are not expected to be significantly lower than the relevant benchmarks, a reasoned explanation must be provided. The relevant benchmarks are those established for the free allocation of emission allowances to activities covered by the EU ETS, as set out in Commission Implementing Regulation (EU) 2021/447.
- III. Activities and assets relating to landfill sites, incinerators and waste treatment plants. With regard to incinerators, this exclusion shall not apply to activities carried out under this measure at plants dedicated exclusively to the treatment of non-recyclable hazardous waste or at existing plants, where such activities are intended to improve energy efficiency, capture exhaust gases for storage or use, or recover materials from incineration ash, provided that they do not increase the plants' waste treatment capacity or extend their useful life. Compliance with these conditions must be substantiated by documentary evidence for each plant. With regard to treatment plants, this exclusion shall not apply to activities carried out under this measure at existing mechanical-biological treatment facilities, where such activities are intended to improve energy efficiency or adapt facilities to enable the recycling of separately collected waste into compost and the anaerobic digestion of biowaste, provided that they do not increase the facilities' waste treatment capacity or extend their useful life. Compliance with these conditions must be substantiated by documentary evidence for each facility.

Annex II: Sectors excluded from general support for businesses

- I. Fossil fuel-based energy production and related activities. Except for: (a) assets and activities involving the generation of electricity and/or heat from natural gas, together with the associated transmission and distribution infrastructure, provided they meet the conditions set out in Annex III to the Technical Guidance on the application of the 'Do No Significant Harm' principle (C/2023/111); and (b) the activities and assets referred to in point (ii), where the use of fossil fuels is temporary and technically unavoidable as part of the transition to fossil-fuel-free operation within a reasonable timeframe.
- II. Energy-intensive industries or industries with high CO₂ emissions. This includes activities and assets covered by the EU Emissions Trading System (EU ETS) where the projected greenhouse gas emissions are not expected to fall below the relevant benchmarks. Where greenhouse gas emissions from the subsidised activity are not expected to be significantly lower than the relevant benchmarks, a reasoned explanation must be provided. The relevant benchmarks are those established for the free allocation of emission allowances to activities covered by the EU ETS, as set out in Commission Implementing Regulation (EU) 2021/447.
- III. Production, rental or sale of polluting vehicles. Polluting vehicles are defined as vehicles with non-zero emissions.
- IV. Waste collection, treatment and disposal. This exclusion shall not apply to activities carried out under this measure at plants dedicated exclusively to the treatment of non-recyclable hazardous waste or at existing plants, where such activities are intended to improve energy efficiency, capture exhaust gases for storage or use, or recover materials from incineration ash, provided that they do not increase the plants' waste treatment capacity or extend their useful life. Compliance with these conditions must be substantiated by documentary evidence for each plant.
- V. Nuclear fuel processing and nuclear power generation.

Annex III: Fields of intervention for green tagging

The fields of intervention with a 100% contribution to green tagging, under which eligible transactions may be undertaken, include, among others, the following:

Code	Field of intervention
022	Research and innovation processes, technology transfer and cooperation between enterprises, with a particular focus on the low-carbon economy, resilience and adaptation to climate change.
024ter	Energy efficiency and demonstration projects in SMEs or large enterprises and supporting measures compliant with energy efficiency criteria.
027	Support for enterprises providing services contributing to the low-carbon economy and to resilience to climate change including awareness-raising measures.
028	Renewable energy: wind.
029	Renewable energy: solar.
030bis	Renewable energy: biomass with high GHG savings.
031	Renewable energy: marine.
032	Other renewable energy sources (including geothermal energy).
033	Smart energy systems (including smart grids and ICT systems) and related storage.
064	Newly built or upgraded railways – TEN-T core network.
065	Newly built or upgraded railways – TEN-T comprehensive network.
066bis	Other newly built or upgraded railways – electric/zero-emission.
067	Reconstructed or modernised railways – TEN-T core network.
068	Reconstructed or modernised railways – TEN-T comprehensive network.
069bis	Other reconstructed or modernised railways – electric/zero-emission.
074	Clean urban transport rolling stock.
077	Alternative fuels infrastructure.

The fields of intervention with a 40% contribution to green tagging, under which eligible transactions may be undertaken, include, among others, the following:

Code	Field of intervention
010ter	Digitising SMEs or large enterprises (including e-commerce, e-business and networked business processes, digital innovation hubs, living labs, web entrepreneurs and ICT start-ups, B2B) compliant with GHG emission reduction or energy efficiency criteria.
024	Energy efficiency and demonstration projects in SMEs and supporting measures.
030	Renewable energy: biomass.
025ter	Construction of new energy-efficient buildings.
047	Support to environmentally friendly production processes and resource efficiency in SMEs.

