

Next Generation EU (NGEU) Funds

An exceptional response to
an unprecedented crisis



NGEU FUNDS IN SPAIN

Spain received an additional €12 billion from Europe in 2022

- Last July, **Spain received €12 billion from the European Commission as a second payment linked to the fulfillment of milestones and objectives** of the Recovery, Transformation and Resilience Plan (RTRP) in the second half of 2021. This amount is in addition to the €19 billion that Europe paid Spain in 2021.
- In order to make these payments, the **European Union** has made **12 issues of debt bonds for amount of €144.75 billion** since June 2021. Of these, seven issues were carried out in 2022 for €73.75 billion.
- The **impact on the GDP in 2022** of the NGEU funds is estimated by the Government to be **1.9%**, as a result of three elements: investments (0.9%), and reforms and expectations (1%).
- Furthermore, the **Spanish Government** has announced that **it will ask Europe for available loans in the Recovery and Resilience Mechanism** throughout 2022, for an amount of more than **€84 billion euros** to be used until 2027. This amount is in addition to the €69.5 billion of the current Plan and the €12 million of React EU. In order to present the addendum to Europe before the end of 2022, the Government has started the round of talks with parliamentary groups, social agents and autonomous regions.

CALLS FOR GRANTS

Up to the end of September, €11 billion has been allocated to 53,600 projects and initiatives. Of these, 42,000 correspond to business projects. The rest are initiatives of local bodies, universities and technology centers.

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Digitization of SMEs - Digital Kit program (3.067 billion):

NEWS [\(Terms of the scheme\)](#):

■ Grants and the deadline extended for companies with 10-49 employees (€600 M until March 2023)

The first phase of the Digital Kit began last March, with an initial investment of €500 million, intended for small and medium-sized enterprises with between 10 and 49 employees. The grant application period that ended in September 2022 has been **extended by six months until March 2023**. In addition, the investment amount has **increased to 600 million euros** for this segment. In this invitation, the **maximum grant amount** per beneficiary is **€12,000**.

■ The remaining invitations to digitize SMEs are open:

✓ Companies with 3-9 employees (€500 M until September 2023)

Companies in the second tranche can apply for their Kit Digital pass from 2 September 2022 for a year, or until the funds are exhausted. The total amount for the digital transformation of SMEs is **€500 million**. The maximum grant per beneficiary for this tranche is **€6,000**.

✓ Companies with 0-2 employees (€500 M until October 2023)

From 20 October for one year (or until funds are exhausted), companies and self-employed workers in the third tranche can request their Kit Digital funding. **The maximum subsidiary** per beneficiary for this tranche is **€2,000**.

■ Including 2 new categories of subsidies:

✓ **Advanced presence online:** to ensure that companies receiving the Digital Kit grant can place themselves online and increase the traffic on their platform.

✓ **Marketplace:** to help beneficiary companies to maximize their sales through appropriate distribution channels.



Remember: the Digital Kit program has a budget of **€3.067 billion for the period 2021-2023**. With this plan, the Government expects that close to 1.35 million of small companies and self-employed workers will have access to a set of basic digitization packages, adapted to their situation and specific needs.

WHAT HELP CAN MY COMPANY GET?

Small businesses will be able to access a digital grant of between **€2,000 and €12,000**. With this grant, you can choose one or more digitization solutions available in the Program's Digitization Solutions Catalog of the AceleraPyme SME platform.

Maximum grants

Number of employees	Maximum grant	Deadline*
10-49 employees	12.000 EUR	until March 2023
3-9 employees	6.000 EUR	until September 2023
0-2 employees	2.000 EUR	until October 2023

* the deadline can be brought forward if the Funds are depleted

WHAT REQUIREMENTS NEED TO BE MET?

To benefit from these subsidies, the company or self-employed worker must meet the **conditions established in the terms and conditions of the invitation:**

- ✓ Be registered in the Census of employers, professionals and withholders
- ✓ Not being considered a company in crisis
- ✓ Be up to date with tax and Social Security obligations
- ✓ Not to be subject to an ongoing recovery order following a decision of the European Commission that has declared an illegal subsidy incompatible with the common market
- ✓ Not be subject to any other prohibitions set out in the General Subsidies Act
- ✓ Not exceed the subsidy limit
- ✓ Have completed the Digital Maturity [assessment, according to the diagnostic test available on the AcceleraPyme platform](#)
- ✓ Not be a member of the program as a digitizer agent

WHAT DIGITIZATION SOLUTIONS ARE INCLUDED?

The grants cover **12 types of services** and establish maximum amounts per category according to the size of the company.

Categories of Digitization Solutions	Months of service provision	Grant per segment for Digitization Solutions Categories		
		0-2 employees	3-9 employees	10-49 employees
Website and Presence in Online	12	€2.000	€2.000	€2.000
Electronic Business	12	€2.000	€2.000	€2.000
Management of Social Media	12	€2.000	€2.500	€2.500
Management of clients	12	€2.000 (Includes 1 user)	€2.000 (Includes 1 user)	€4.000 (Includes 3 users)

Business Intelligence and Analytical	12	€1.500 (Includes 1 user)	€2.000 (Includes 1 user)	€4.000 (Includes 3 users)
Management of Processes	12	€2.000 (Includes 1 user)	€3.000 (Includes 1 user)	€6.000 (Includes 10 users)
Electronic Invoice	12	€500 (Includes 1 device)	€2.000 (Includes 1 device)	€2.000 (Includes 3 devices)
Virtual Office services and tools	12	€250 / user (up to 2 users)	€250 / user (up to 9 users)	€250 / user (up to 48 users)
Secure Communications	12	€125 / user (up to 2 users)	€125 / user (up to 9 users)	€125 / user (up to 48 users)
Cybersecurity	12	€125 / device (up to 2 devices)	€125 / device (up to 9 devices)	€125 / device (up to 48 devices)
Advanced presence online	12	€2.000	€2.000	€2.000
Marketplace	12	€2.000	€2.000	€2.000

HOW ARE THE GRANTS AWARDED?

- ✓ Grants will be awarded through the **non-competitive competition procedure on a first come, first served basis** until the funds are exhausted.
- ✓ Each company/self-employed worker can obtain a **single public grant** from the digitization program, unless the invitation specifies that more are permitted.

HOW CAN I GET HELP?

The **steps** that the SME/self-employed worker that meets the requirements should follow are:

- ✓ Register on the **AcceleraPyme website**, providing contact information and information on the company's activity.
- ✓ **Check your digitization level** by completing the form or self-diagnostic test available in AcceleraPyme. The grant is awarded in the form of a "digital voucher," which grants the right to receive payment once the actions are completed and proof of completion is submitted.
- ✓ **Choose the services for digitization.** The company will have an amount for purchasing the services that best suit the needs of the "digitizing agents". These are companies that are members of the Digital Kit program, which offer their services through the AcceleraPyme digitization solutions catalog. They are classified by service category, business sector for which they provide services and geographical area, among others.
- ✓ **Sign an agreement with the company that will implement the solution.**
- ✓ **Pay the price of the services, by submitting the right to collect the grant or digital voucher to the digitizer chosen.**
 - The payment of the grants will be made to the digitizing agent **once the action has been completed and proof has been submitted**. The service will be provided in 2 stages: the first stage will last 3 months and the second 12 months from the end of the first stage.
 - **The digitizing agent will be able to obtain financing** for the amount of the voucher given by the company/self-employed worker, through the financing facility agreed between Red.es and the Instituto de Crédito Oficial (ICO).

In order to facilitate access to the grants, **the application can also be made by the legal representative or by a representative of the Company** who meets the criteria for the invitation. Affiliated digitizer agents may be involved in the application tasks and will submit all supporting documentation.

IS THERE A DEADLINE FOR ME TO USE MY DIGITAL VOUCHER?

- ✓ **Decision deadline:** the outcome of applications will be decided and notified at the latest **6 months** from the date of submission of the application by the interested party.
- ✓ **Signing date:** beneficiaries and Digitizer Agents have 6 months from the notification of the decision awarding the grant to sign the Service Agreement.
- ✓ **Execution period:** once the Service Agreement has been validated, the activity must be carried out in 2 stages:

- Stage one (maximum **3 months**): execute and develop the digital solution chosen by the beneficiary. The Digitizing Agent will issue the invoice.
 - Stage two (**12 months**): the Digitizer Agent performs maintenance of the digitization solution and provides the necessary training to the beneficiary to acquire the knowledge necessary to manage it. for a period of 12 months This stage begins on the date that the invoice is issued.
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- ✓ **Deadline for providing proof of execution:** the stage one will last **6 months** and stage two will last **3 months** from the end of execution. The Authorized Digitizer Agent, on behalf of the beneficiary, makes the payment proposal.
 - ✓ **Payment deadline: 3 months** since the payment proposal is made, for each of the 2 stages of the solution or execution

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OTHER OPEN INVITATIONS

Mobility



Plug-in electric or hybrid vehicle (Initial €400 million, extended by €226 million):

Last April, the MOVES III endowment to encourage the purchase of plug-in electric and hybrid vehicles was expanded. The extension has allowed new invitations for applications to be opened for the autonomous regions that had depleted the funds initially allocated to them (Basque Country, Catalonia, Madrid, Valencia, Canary Islands, Navarre, Aragon, Balearic Islands and Castile-Leon). They are currently in force in all Autonomous Regions. The charge points aspect of this program has already been depleted in several Autonomous Regions.



Unique projects (€264 million):

On 3 October, a new invitation for one-off MOVES was opened, with €260 million. This incentive program is intended for one-off electric mobility projects and experimental and innovative development projects in Spain, relating to electric vehicles. In this second invitation, projects to install hydrogen plans will not be eligible, given that specific programs have been released for that sole purpose. Projects with a minimum investment of 100,000 euros are considered. The application period is end on 24 November.



Professional transport fleets (currently open to €174 million, extendable to €400 million):

It comprises the following lines of action: scrapping, purchasing alternative energy vehicles, retrofitting or modification of propulsion method, fitting of electric vehicle charging infrastructure and purchasing of semi-trailers for railways. A fixed grant amount is established by category and type of vehicle and, for purchasing low or zero emissions fleets, also by company size to support SMEs and self-employed workers. This facility will be in effect until 30 April 2024



Photovoltaic self-consumption (€660 million extendable):

These funds are used for self-consumption facilities (up to €555 million, grant intensity 20-30%) and storage behind the meter (up to €105 million), with a grant intensity of 50-60%) for residential use, in companies, public administrations and the third sector. This program will come into force until December 2023.

The Regions have already started to publish invitations for applications. In addition, these activities have tax advantages: Personal income tax deductions and relief on property tax *in some Autonomous Regions*



Renovation of buildings (€3.420 billion):

All Autonomous Regions have already published invitations for grants for the rehabilitation program for economic and social recovery in residential environments. Of the €3.420 billion, €1.151 billion have been mobilized and 1.389 billion are in progress. The grant can be up to 80% when the energy saving is higher than 60%. Furthermore, tax deductions have been approved for the non-subsidized part.

PRÒXIMES CONVOCATÒRIES



Electric mobility - Fleets (for now €50 million):

Before the end of the year, a new invitation for applications is expected for the electrification of fleets of light vehicles (mopeds, motorcycles, quadricycles, cars or vans) operating in more than one Autonomous Region. Up to now, the grants have been managed centrally through the IDAE (Institute for Energy Diversification and Saving).



Construction of social rented housing (currently €500 million):

The construction line for social rent is open with €500 million. It remains to be seen what the final distribution will be and how quickly the Autonomous Regions open and extend them.



Waste treatment (€150 million):

The grants are intended for biogas, heat, electricity, biomethane and biowaste treatment. They support initiatives to use energy from organic waste, boosting the Circular Economy.

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HOW CAN BBVA HELP YOU?

Access to grants... easier.

The grant management system that we have provided, in collaboration with consultancy firm Minsait, aims to provide companies **SMEs, and the self-employed with access to grants**, especially those related to the Next Generation EU funds. This service offers:

- **List and search of grants with different search filters:** summary with the most relevant details on the requirements and amounts of each grant (e.g. if it is a direct concession, application deadline, estimated number of beneficiaries, etc.).
- **Customized alerts service on grants of interest to your company.**
- **Comprehensive grant management service.**

Moreover, and **with regard to the Digital Kit** for the digitization of SMEs and self-employed workers, we have **specific services** to help you **manage the grant application** and if you want to **register as a digitizer agent to offer your company's technological solutions**.

You can find more information at bbva.es.

BBVA, DIGITIZER AGENT: E-COMMERCE SOLUTION



In pursuit of its commitment to digital services for SMEs, BBVA wants to help companies to go digital by offering its e-commerce payment solutions as part of the Digital Kit.

- ✓ The Virtual POS terminal is a simple, secure solution to manage card payments in your online store quickly and securely. And receive payments immediately.
- ✓ The solution offers online monitoring of your sales and transaction management.
- ✓ The cost for the first 12 months is €0 with the Digital Voucher grant. This includes sales of up to €20,000 a year with Visa and Mastercard cards.

Glossary

- ✓ **RTRP:** Recovery, transformation and resilience plan, which each member country must present to the EU for approval as a condition for receiving the funds.
- ✓ **AccleraPyme:** This is the initiative of the Spanish Ministry of Economic Affairs and Digital Transformation aimed at building the benchmark ecosystem for the digital transformation of SMEs. It is developed by Red.es, an entity attached to the Department for Digitization and Artificial Intelligence, and sits under Spain's SME Digitization Plan 2021 - 2025.
- ✓ **Digital kit:** Government program for the digitization of SMEs and self-employed workers, which offers financial assistance to access digital solutions.
- ✓ **Digital voucher:** payment right from the grant awarded as part of the Digital Kit program. The voucher can be made redeemed once the Digitizer Agent, on behalf of the SME or self-employed worker, submits proof of performance of the activity subject to the grant and this is validated by the Administration..
- ✓ **Digitizer agents:** Digitalization solutions and services for SMEs and self-employed workers are offered by companies affiliated with the Digital Kit program, who become digitizers and are registered in the AccleraPyme Catalog.

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Useful links



- ✓ [New Oden of terms and conditions of the Digital Kit / Moncloa](#)
- ✓ [NGEU funds in detail / BBVA](#)
- ✓ [NGEU web portal NGEU / Moncloa](#)
- ✓ [España Puede Plan \(full text\) / Moncloa](#)



If you have any questions about NGEU funds or you need help to apply for the grants, **contact your BBVA Adviser**

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