

## InvestEU Scoreboard <sup>(1)</sup>

### Presentation of the financing or investment operation

Implementing Partner: EIB

Name of the Operation: VALOGREENE SPAIN CIRCULAR ECONOMY PLANTS

Type of approval: Individual financing or investment operation

Name of the final recipient: VALOGREENE CML SL, VALOGREENE ECONOVA SL, VALOGREENE MUEL SLU, VALOGREENE SAN CRISTOBAL DE ENTREVINAS SL, VALOGREENE RECINOR SL

Country(-ies) of implementation: Spain

Short description of the financing or investment operation:

The Project involves the financing of five innovative waste treatment plants utilising pyrolysis technology. These facilities will enhance resource efficiency and promote a circular economy by generating secondary raw materials, while reducing greenhouse gas emissions and diverting waste from landfill.

The project contributes towards a reduction of the EU's fossil fuel imports through the use of recycling technologies, fostering applied innovation and strengthening the recycled pyrolysis oil and char supply chains. Three plants are located in the Spanish Autonomous Regions of Castilla y Leon, Galicia and Castilla La Mancha, considered as EIB Cohesion priority regions, whilst the Galician plant also falls within a Just Transition Mechanism Area. Considering the large scale of the investment involved, the Project is expected to have a positive impact on the local economy, supporting sustainable economic growth, job creation and economic and social cohesion.

### Public Statement

The Project aligns with the InvestEU objective of Environment and resources, in particular with respect to projects and enterprises that implement the circular economy by integrating resource efficiency aspects in the production and product life cycle, including the sustainable supply of primary and secondary raw materials.

The Project supports the European Union's legal requirements, Circular Economy Action Plan, and the Green Deal. It is aligned with the national and regional Circular Economy Strategies and Waste Management Plans.

The Project addresses key market failures, including the lack of recognition of waste diversion benefits, insufficient investment in recycling and the circular economy, and the need for long-term financing to cover high upfront costs and extended payback periods. Recycling technologies such as the one developed in the Project also contribute towards a reduction of the EU's fossil fuel imports, fostering applied innovation and strengthens the recycled pyrolysis oil and char supply chains. Given the capital-intensive nature of the investment, and inherent technology risk coupled with its unproven profitability, the EIB intervention will be key in providing the required resources to carry out this major investment.

Considering the large scale of the investment involved, the Project is expected to have a positive impact on the local economy, supporting sustainable economic growth and job creation and economic and social cohesion. Three plants are located in the Spanish Autonomous Regions of Castilla y Leon, Galicia and Castilla La Mancha, considered as EIB Cohesion priority regions. The Galician plant also falls within a Just Transition Mechanism Area.

The plants are intended to treat around 240,000 tons of waste per year, mainly non-recyclable plastic waste. The Project supports greenhouse gas emission reductions by facilitating the recovery of high-quality secondary raw materials, and mitigates the environmental and climate impacts associated with current waste disposal practices, particularly landfilling.

The Bank is acting as a cornerstone stakeholder in the Project. The EIB's involvement is critical to attract the required debt finance to fully implement the Project, bringing in affordable pricing during a long tenor, for an innovative high-risk project. Construction and execution risks are difficult to apprehend for this type of innovative projects. The Bank provides a signal of the Project's quality, facilitating financing from commercial banks.

(1) This Scoreboard of indicators reflects the information presented to the InvestEU Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Given the Promoter's experience, there is limited need and scope for technical contribution from the Bank.

The project would not have been carried out to the same extent by the EIB without the InvestEU support.

**Pillar 3** - Market failure or sub-optimal investment situation addressed by the financing or investment operation  
**(Very Good)**

**Pillar 4** - Financial and technical contribution by the implementing partner **(Very Good)**

**Pillar 5** - Impact of the financing or investment operation **(Very Good)**

**Pillar 7 - Complementary indicators <sup>(2)</sup>****Key project indicators****Expected at PCR**

Start of works	01.11.2023
End of works	01.02.2029
Project investment cost	224.10 MEUR
Mandate eligible investment mobilized	164.60 MEUR
Mandate multiplier effect	6.19
Mandate leverage effect	3.76
Amount of private financing	124.10 MEUR
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	3.00 MEUR
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	100.00% Mitigation - Waste and Wastewater GHG reduction
Less developed regions	13.57 %
Transition regions	31.44 %
Employment during construction - temporary jobs	1,840 person years
Employment during operation - new permanent jobs	128 FTE
Gender Tag	No Significant contribution to Gender Equality

**Outputs****Expected at PCR**

New waste facility capacity	240,000.00 t/yr
Digitalisation– PROJECT based share of project investment cost	0.00 %
Digitalisation– SECTOR based share of project investment cost	10.10 %

**Outcomes****Expected at PCR**

Amount of waste handled in new waste facility	240,000.00 t/yr
Digital transformation impact	1 - Fair

(2) The abbreviation PCR stands for Project Completion Report. EIB internal methodologies are used in order to calculate the figures presented in this document. The Promoter's estimates might differ.