

Conclusions

SENSITIVE*: GROW.C.3

VALOGREENE SPAIN CIRCULAR ECONOMY PLANTS (ES)

INVEU-ICR-0058-2025 - Sustainable Infrastructure Policy Window (SIW)

Short description of the financing or investment operation and its objectives

Name of financial recipient	Valogreene CML SL; Valogreene Muel SLU; Valogreene Econova SL; Valogreene San Cristóbal de Entreviñas SL; Valogreene Recinor SL
Type of the final recipients	Special Purpose Vehicle / Project Company
Countries of Implementation	Spain
Implementing Partner	European Investment Bank (EIB)

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.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 10 July 2025 for the above-mentioned operation.

Additionality

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.

Conclusions

The Bank provides a signal of the Project's quality, facilitating financing from commercial banks. 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.

Market gap

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 strengthening 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, 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.