

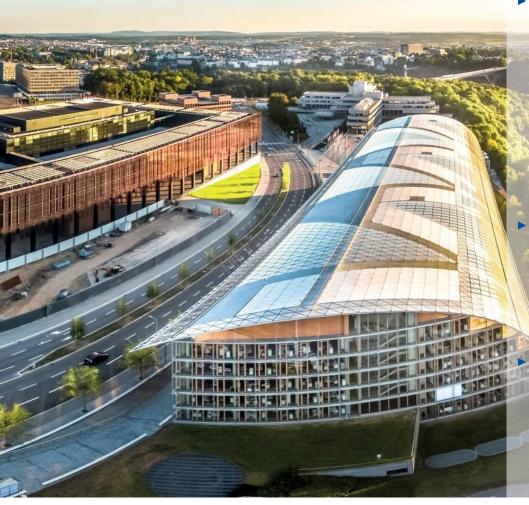
SUPPORTING THE TRANSITION TO A CIRCULAR ECONOMY

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The EIB: the EU bank



- Natural financing partner for the EU institutions
 - Sustainable investment projects contributing to EU policy objectives
 - Lending, blending, advising with different types of products matching project sizes and risk profiles
- Shareholders:
 - 28 EU Member States
 - EIB raises funds on capital markets and passes on favourable borrowing conditions to clients

Largest multilateral lender and borrower in the world

- Our priorities: environment, infrastructure, innovation, SMEs
- 78bn lent in 2017, 90% in the EU



Why is circular economy relevant to EIB?

- CE is high on the EU policy agenda
 - As the EU Bank, we have a role in supporting the circular economy transition
- CE is strongly aligned with EIB policy objectives
 - Innovation, Environment, SME, Climate action
- CE opens new lending opportunities for EIB in various economic sectors
 - EIB lending to CE in the last five years has been EUR 2.1 bn



Circular economy project risks

- Small sub-investment grade promoters with limited collateral or few physical assets
- Innovative technologies with associated construction, operating and commercial risks
- Supply chain uncertainty, e.g. secondary feedstock supply, and output competition from virgin materials
- Transition to new/unproven business models with associated commercial and market risks
- Uncertain markets and demand for used, repaired or remanufactured products



Circular economy enablers

- Increase understanding and awareness of:
 - the need to hedge and manage linear risks
 - new CE business and market opportunities
 - positive environmental and climate effects of circular models
- Support multi stakeholder CE engagement, matchmaking, industrial symbiosis etc. and related best practice sharing
- Support the creation of markets and demand for secondary resources and refurbished/remanufactured products,
 - e.g. through a shift from tax on labour to resources/environment
- Match CE financing to promoter/project size/maturity/risk profile



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How is EIB supporting the transition to a circular economy?

- EIB helps bridge financing gaps and catalyse investments through EFSI, InnovFin and other risk sharing instruments
- EIB can advise on CE project structuring/financing
- EIB contributes to CE awareness building
- EIB is active in CE networking & discussions



Visit our website at www.eib.org/circular-economy





Project example: producing energy from sewage sludge in Vienna



Energy Optimisation Sludge Treatment (150 EURm loan)

20 million m³of bio-gas per year

Vienna's wastewater treatment plant electricity needs to be covered by 100%

