



European Union residents produce about 2.5 billion tonnes of waste per year. 38% of this is recycled, while the rest is landfilled or burned. And it's not all industrial waste: each person in Europe produces, on average, half a tonne of household waste a year. This waste has negative effects on our environment and health, and is costly to manage. It also means we are not using the Earth's finite resources efficiently. The circular economy aims to change that by eliminating the concept of waste altogether. This can be achieved by extending the life and use of products, resources and materials, by re-thinking and re-designing products and business processes, developing innovative solutions and service models and encouraging more sustainable consumption patterns.

The EIB is supporting the transition to a circular economy with three mutually reinforcing activity clusters: finance, advisory support and awareness-raising.

From 2014 to 2019, the EIB provided **€2.5 billion** to co-finance circular economy projects in a variety of sectors and we stand ready to do more. Circular economy projects with a higher risk profile have received financing through our risk-sharing instruments benefiting from EU guarantees.

In addition to capital, the EIB provides financial and technical advisory support to improve the bankability and investment-readiness of circular economy projects.

Finally, awareness-raising and partnerships are key to enabling the transition to a circular economy. This is why we work with other financiers and key stakeholders to develop and share knowledge on the definition and financing of circular economy projects. For example, we have launched the Joint Initiative on Circular Economy together with the European Union's largest national promotional banks and institutions, with the goal of **investing at least €10 billion in the circular economy** by 2023.



Verspillingsfabriek in the Netherlands transforms discarded and surplus food into fresh new products, such as soup and sauces. It is a beneficiary of a special impact loan developed by the EIB together with Rabobank.

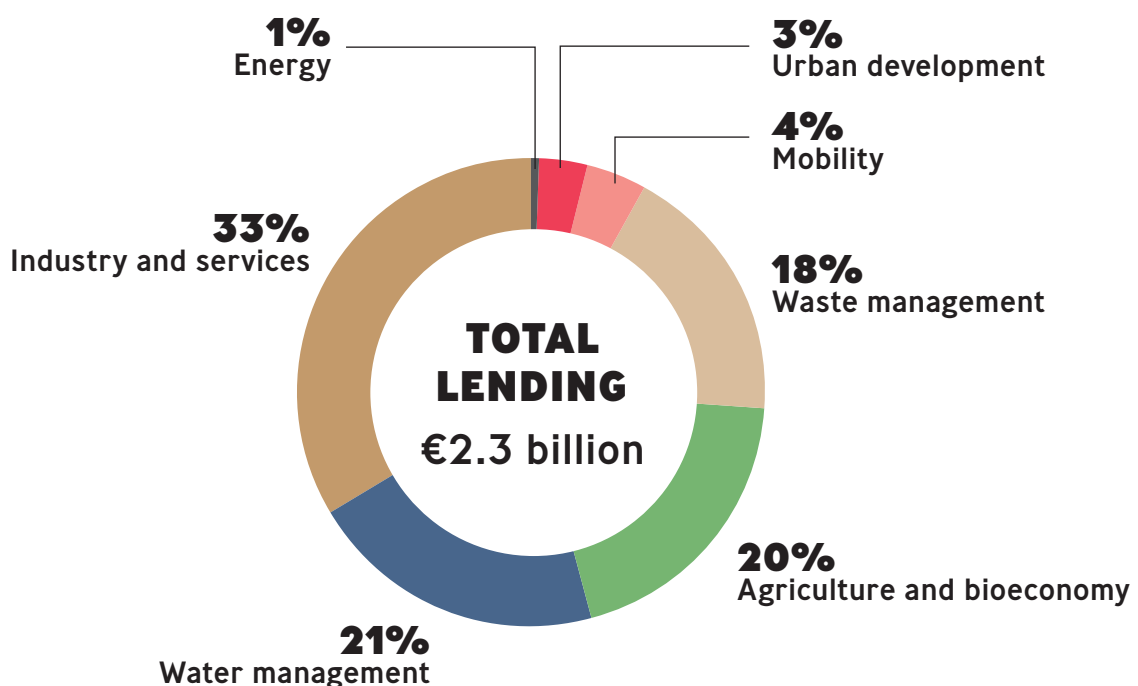
FACTS AND FIGURES

The circular economy will conserve resources, reduce our impact on the climate and the environment, foster sustainable economic growth, boost competitiveness and generate new jobs.

- Applying circular economy strategies in just five key areas (cement, aluminium, steel, plastics, and food) could **eliminate almost half of the emissions** from the production of goods – 9.3 billion tonnes of CO₂e in 2050 – which is equivalent to cutting current emissions from all transport to zero (Ellen MacArthur Foundation and Material Economics, 2019).
- The circular economy, stimulated by technological innovation, could **increase resource productivity by 3%** globally (McKinsey, 2013).
- The development of a more circular economy in the EU would reduce dependence on imported raw materials and could create up to an estimated **2 million new jobs by 2030** (European Commission, 2014).
- Moving to a circular economy also benefits businesses. By re-designing business models, production processes and products, circular businesses can significantly reduce their material, energy and waste management costs, resulting in higher yields and competitive advantages.
- Cities can act as both as cradles and catalysts for transition to a circular economy. Their scale and concentration of people, businesses and resource flows allow the efficient sharing of resources and goods.

The EIB's support for the circular economy covers a wide range of sectors: industry and services, water management, agriculture and the bioeconomy, waste management, mobility, urban development and energy.

EIB Circular economy lending by sector 2014-2018



PROJECT HIGHLIGHTS



De Lage Landen (DLL) Circularity Loan for SMEs and Mid-caps, Belgium and Netherlands (€100 million EIB loan)

DLL refurbishes and leases second and third-life equipment to companies. The DLL operation will allow SMEs to save costs and invest in other areas while making a major contribution to the realisation of circular economy objectives.

[More information online](#)

Ecotitanium Plant, France (€30 million EIB loan)

The first EU industrial plant to recycle and re-melt aviation-grade scrap titanium metal and titanium alloys will reduce dependence on imported titanium (a strategic raw material for many products) and prevent the emission of 100 000 tonnes of carbon dioxide a year. The plant will also cater for the strong growth in titanium demand in the aeronautics market and strengthen the metallurgical skills and employment hub of Combrailles in the Auvergne-Rhône-Alpes Region.

[More information online](#)

Ultimaker, Netherlands (€15 million EIB loan)

A highly innovative manufacturer developing 3D printers that can use, amongst other things, plastic waste materials to produce new items.

[More information online](#)

Novamont Renewable Chemistry, Italy (€30 million EIB loan)

Novamont develops innovative biodegradable and compostable bioplastics and biochemicals based on renewable resources. Novamont's holistic approach and vision for the bioeconomy, where the business model includes local agriculture as well as the reuse of by-products, is producing positive results for material innovation.

[More information online](#)

Belfius Smart Cities, Climate and Circular Economy, Belgium (€200 million EIB loan)

This bank-intermediated framework loan targets various areas including circular economy projects for public promoters in Belgium. The defined eligibility criteria assist the intermediary bank in sourcing and screening project eligibility with respect to the circular economy.

[More information online](#)

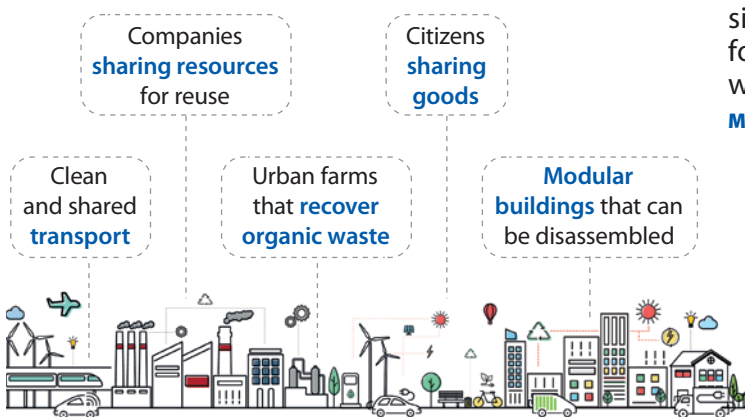
Winnow, Romania (€7.5 million EIB loan)

Food waste management company Winnow will use EIB funds to develop and introduce software and hardware solutions to help staff in professional kitchens track the amounts and types of food wasted. The ultimate aim is to provide users with data for managing and preventing food waste.

[More information online](#)

Today, cities consume **70%** of global resources  and  generate **50%** of all waste

Here's how they can join the circular economy





RESOURCES

PUBLICATIONS

- **Access-to-finance conditions for projects supporting circular economy**
- **Access-to-finance conditions for investments in bio-based industries and the blue economy**
- **The EIB in the circular economy**
- **Joint Initiative on Circular Economy**
- **The EIB Circular Economy Guide**
- **The 15 Circular Steps for Cities**
- **Ellen MacArthur, The Virtuous Circle, Big Ideas Essay**

BLOGS

- **Squaring the Circle: what square financiers and circular economy businesses should understand about each other**
- **Titanium recycling gives Europe a valuable new metal supply**
- **Prosthetic limbs from a 3D printer**

PODCAST

- **Converting waste to taste**

VIDEOS

- **Making circularity part of everything we do**
- **Letting our oceans breathe**

NEWS

- **Beating plastic pollution: EIB endorses global pledge to cut plastic waste**

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<http://www.eib.org/circular-economy-overview>

