



PRESS RELEASE

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EIB agrees venture debt financing with PackBenefit to accelerate rollout of leading sustainable food packaging technology

- **EIB and PackBenefit have signed a €13m venture debt agreement to finance a new production plant, as well as research and development projects for sustainable food packaging solutions.**
- **The financing, in combination with equity funding from Circularity Capital, will enable PackBenefit to expand its manufacturing capacity of recyclable and compostable food trays for the European market.**
- **The EIB loan is guaranteed by the European Commission's research and innovation programme.**

The European Investment Bank (EIB) will support PackBenefit with a €13 million venture debt loan to expand the company's manufacturing capacity of recyclable and compostable food trays to meet growing global demand for high-performance sustainable packaging solutions.

Alongside supporting RDI activities, the EIB financing will be used to back the construction of PackBenefit's second commercial-scale food tray production plant in Aldeamayor de San Martin, Valladolid, Spain, which will allow the company to manufacture an additional 180 million trays per year (ca. 4,500 metric tons). PackBenefit has developed and patented an innovative technology to convert virgin pulp, from EU Forest Stewardship Council certified sources, into recyclable and compostable food trays via a unique hydraulic thermoforming press.

Ricardo Mourinho Félix, European Investment Bank Vice-President said: *"As food consumption continues to increase, the need for sustainable packaging is becoming more pressing than ever before. The EIB loan will help PackBenefit to scale-up its existing production facilities in Spain, providing recyclable and compostable food trays for customers across Europe. Financing companies such as PackBenefit contributes to a circular economy, ensuring that the value of products and materials is maintained for as long as possible, via recycling for further use."*

Mariya Gabriel, European Commissioner for Innovation, Research, Culture, Education and Youth, added: *"In 2020, every EU resident was responsible for generating approximately 177kg of packaging waste, a figure which clearly needs to be reduced. I am particularly glad that research is, once again, successfully bringing society the solutions it needs. This project is a prime example of how the targets proposed by the Commission on the revised legislation on packaging and packaging waste are achievable. And R&I funding is here to help."*

Philippe Fèvre, Chief Executive Officer of PackBenefit, concluded: *"PackBenefit's roadmap is aligned with EU principles in relation to environmental protection, while simultaneously delivering better food safety standards for consumers and reducing resource waste. In combination with equity funding received from Circularity Capital, EIB's financial support will allow us to more efficiently address the European market's demand for innovative and sustainable food packaging. In addition, as a result of EIB's support, our RDI progress will be accelerated, which will see innovations delivered earlier than expected, further expanding our range of innovative products and services in order to reduce carbon footprint in our region."*

EU support for increased recycling and composting

The project will be funded through equity from Circularity Capital, EIB venture debt financing and third-party loans. The EIB venture loan is financed under the [InnovFin – EU Finance for Innovators](#) set up, as part of [Horizon 2020](#), the European Union’s research and innovation programme for 2014-2020. The combination of the EIB’s expertise and the European Commission’s support has made it possible to set up an innovative financing package for PackBenefit.

With funding from the European Investment Advisory Hub, EIB Advisory Services identified and sourced PackBenefit as a highly innovative company in the recycling and composting sector, supporting the Company in the preparation of the project for the EIB financing application.

The Project contributes to meeting increased recycling and composting targets presented in the updated EU Waste Framework and Packaging Waste Directives. Through its use of sustainable-based feedstock, its contribution to increased recycling/composting and replacement of fossil-based materials, the project also supports the transition to a circular economy in line with the new European Commission Circular Economy Action Plan, presented in March 2020.

Environmentally friendly solutions for the food-packaging sector

PackBenefit focuses on circular solutions that enable resource productivity, including extending asset life and reducing waste. PackBenefit offers sustainable food trays produced from wood-based virgin pulp, offering an environmentally-friendly solution for the food-packaging sector. The company also provides complementary packaging products such as lids and sustainable tray sealing film.

Background information:

The **European Investment Bank (EIB)** is the long-term lending institution of the European Union owned by its Member States. It finances sound investments contributing toward EU policy goals.

Under [Horizon 2020](#), the European Union’s key research and innovation (R&I) programme for the period 2014-2020, the European Commission and the European Investment Bank Group have launched [InnovFin – EU Finance for Innovators](#), a set of financial instruments and advisory services to help innovative firms access finance more easily. Its successor for the period 2021-2027 is [Horizon Europe](#), with a budget of €95.5 billion to help achieve a stronger European research and innovation ecosystem, notably through wider participation of researchers and innovators across Europe, as well as greater mobility and funding for world-class research infrastructures. EU financial instruments for the period 2021-2027 have been concentrated under the [InvestEU](#) umbrella, with a €26.2 billion EU budgetary guarantee to support finance and investment operations, attracting public and private financing and benefitting people and businesses across Europe.

EU R&I programmes facilitate collaboration and strengthen the impact of research and innovation in developing, supporting and implementing EU policies, while at the same time tackling global challenges in the areas of climate, health and digital technologies. They support the creation and better dissemination of excellent knowledge and technologies. They create jobs, fully engage the EU’s talent pool, boost economic growth, promotes industrial competitiveness and optimises investment impact within a strengthened European Research Area. Horizon Europe, in particular, tackles climate change, helps to achieve the UN’s Sustainable Development Goals and aims to boost the EU’s competitiveness and growth.

PackBenefit is a European leader in high-performance fibre-based food bio-packaging. Founded in 2013 and headquartered in Valladolid, Spain, PackBenefit is a pioneer in the design and production of recyclable, compostable and multi-award winning food trays. The company’s products, which are based on its proprietary and patented thermoforming-coating production process, provide a compelling proposition for food service clients within the commercial catering, fresh food and food-to-go end markets.

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