

## Abstract of ING Bank for the Advance Recycling Conference 2022

Title: Financing innovative plastic recycling and bioplastics plants

Innovative plastic recycling and bioplastics plants require substantial capital investments which makes financing an important factor in the actual realization of projects.

Uncertainties with respect to new technologies applied, scale up risks, and commercial risks with respect to feedstock and offtake quality and prices make financing however a challenging exercise.

It is therefore important to explore ways for de-risking projects as much as possible, in order to make projects bankable and accessible for debt financing. In addition, it is good to know which types of financing are available.

In my presentation I will give an overview of financing instruments which are available, including corporate lending, project finance, and more high risk / high return instruments like venture debt. I will explain to what extent these instruments are viable for which types of projects and parties involved. Examples to illustrate this will include the innovative debt financing of the Avantium bioplastics flagship plant, as well as the project financing of plastic pyrolysis plants.

In addition, I will elaborate on the possibilities for de-risking projects, for example by collaboration in the value chain, including joint venture structures and contractual arrangements with construction companies, feedstock suppliers and offtakers, as well as government guarantee schemes and insurance products.

Taking these factors on board in an early stage of development is of crucial importance for the success and commercial scale up of innovative plastic recycling and bioplastics projects.

Marc Borghans

Director Sustainable Structured Finance

ING