



PRESS RELEASE

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EIB and Cepsa sign €285 million loan to finance the construction of a second-generation biofuels plant in Spain

- **Plant in Andalusia region to make biofuels from organic waste like used cooking oil or agricultural waste, supporting the circular economy.**
- **Biofuels to be used in sectors that are difficult to decarbonise, such as air transport, maritime transport and even heavy-duty road transport, helping to reduce carbon-dioxide (CO₂) emissions.**
- **EIB financing supports REPowerEU plan to increase energy security by reducing EU dependence on fossil-fuel imports.**
- **Operation also backed by InvestEU programme to mobilise more than €372 billion of additional investment in 2021-2027.**

The European Investment Bank (EIB) and Cepsa sign a €285 million loan agreement for the construction of an advanced biofuels plant to be located next to the "La Rábida Energy Park" in Palos de la Frontera, Andalusia.

The plant, which Cepsa is building together with Bio-Oils, will produce sustainable aviation fuel (SAF) and renewable diesel (HVO), from organic waste such as used cooking oil or from agricultural waste, advancing the circular economy. Once operational, the facility is expected to process as much as 600,000 tonnes of waste and produce up to 500,000 tonnes of second-generation biofuels annually.

The biofuels will serve industries such as, aviation, maritime transport and even heavy-duty road transport for which decarbonisation and electrification pose challenges. Biofuels are an immediate solution to reduce CO₂ emissions from this sector, without making changes to existing engines.

"This loan is a clear example of how the EIB promotes the energy transition also in hard to abate sectors. This project will contribute to make Spain one of the leading countries in the production of biofuels," said **Gilles Badot, director of EIB operations for Spain and Portugal**. "Supporting private companies like Cepsa, which are investing in this transition and advancing their own decarbonisation strategies, is one way the EIB is accelerating the transition to a more sustainable energy model that promotes EU energy autonomy.

The investment by Cepsa and Bio-Oils will be made entirely in Andalusia, a cohesion region where per-capita income is below the EU average. Given the project scope, it is expected to have a positive impact on the local economy by boosting growth and job creation. As a result, the loan signed with Cepsa makes a significant contribution to the EIB's commitment to economic, social, and territorial cohesion.

"We are grateful for the EIB's support to this project, which is key to our Positive Motion strategy and to Spain's and Europe's progress towards the necessary energy independence. This plant will enable us to take a giant step forward in the production of green molecules, with the aim of facilitating the

immediate decarbonisation of land, sea and air transport by reducing CO₂ emissions by up to 90% compared with traditional fuels", said **Maarten Wetselaar, Cepsa's CEO**.

This project supports the decarbonisation objectives of the European Green Deal. It is also part of the [EIB's action plan](#) to support [REPowerEU](#) in ensuring energy security and reducing EU dependence on fossil-fuel imports.

The project is supported by InvestEU, an EU programme to mobilise more than €372 billion of additional investment in the period 2021-2027. It furthers one of the programme's main objectives: developing the energy sector and the sustainable bioeconomy.

With this new arrangement, the EIB is continuing to support Cepsa's decarbonisation strategy. It is the third financing operation with Cepsa in the last two years to accelerate this strategy. The previous two were a loan of €80 million for photovoltaic plants in Andalusia and a loan of €150 million for Cepsa's network of electric charging stations in Spain and Portugal.

The EIB and energy security

In 2023, the EIB Group provided more than €21 billion in financing for energy security in Europe. In the same year, it allocated €4.5 billion to this goal in Spain, financing projects in areas including renewable energy, energy efficiency, power grids and storage systems. These investments are helping Europe speed up its transition to sustainable energy and reduce its reliance on fossil fuel imports.

In July 2023, the EIB Board of Directors [raised the amount earmarked for REPowerEU projects to €45 billion](#). REPowerEU is the plan designed to end Europe's dependence on fossil fuel imports. To boost financing for the EU manufacturing industry, the EIB will also expand the range of eligible sectors to include leading strategic technologies with net-zero carbon emissions, as well as extraction, processing and recycling of critical raw materials. The additional financing will be disbursed between now and 2027. In total, it is expected to mobilise more than €150 billion in investment in the target sectors.

Find out more about the EIB's support for the energy sector [here](#).

Background information

EIB

The [EIB](#) is the long-term lending institution of the European Union, owned by the Member States. It finances sound investments that further [EU policy objectives](#). EIB projects bolster competitiveness, drive innovation, promote sustainable development, enhance social and territorial cohesion, and support a just and swift transition to climate neutrality.

The EIB Group, consisting of the EIB and the European Investment Fund (EIF), reported total financing signatures in Spain of €11.4 billion in 2023, approximately €6.8 billion of which went to climate action and environmental sustainability projects. Globally, the EIB Group signed €88 billion of new financing in 2023.

InvestEU

The InvestEU programme provides the European Union with crucial long-term funding by leveraging substantial private and public funds in support of a sustainable recovery. It also helps mobilise private investment for EU policy priorities, such as the European Green Deal and the digital transition. InvestEU brings together under one roof the multitude of EU financial instruments previously available to support investment in the European Union, making funding for investment projects in Europe simpler, more efficient and more flexible. The programme consists of three components: the InvestEU Fund, the InvestEU Advisory Hub and the InvestEU Portal. The InvestEU Fund is deployed through implementing partners who will invest in projects using the EU budget guarantee of €26.2 billion. The entire budget guarantee will back the investment projects of the implementing partners, increase their risk-bearing capacity and thus mobilise at least €372 billion in additional investment.

Cepsa and sustainability

Cepsa is embarking upon an in-depth transformation of its activities via its Positive Motion 2030 strategy, with the goal of going zero-carbon and helping its customers to overcome their own decarbonisation challenges. To this end, the company is set to invest €8 billion this decade, around 60% of which will go to sustainable businesses linked to electric mobility and the production of green molecules – mainly green hydrogen and biofuels.

Cepsa has created an ambitious roadmap to cut its emissions, ranking among the leading companies in its sector. Specifically, it will reduce its CO₂ emissions (scope 1 and 2) by 55% vs. their 2019 levels by 2030. It aims to achieve net-zero emissions by 2050 and then go further, providing a net-positive contribution. The carbon intensity of its products will be reduced by 15-20% by 2030.

The main sustainability rating agencies recognise Cepsa as a leader in its industry. Sustainalytics has ranked it first among independent oil and gas companies worldwide, for the third year in a row; Moody's puts it among the top three European energy companies as valued by environmental, social and governance policies and performance; and S&P Corporate Sustainability Assessment has placed it in the top quartile of the global energy sector.

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