Biochemtex – M&G Group

(very) brief overview of the company

• M&G large enterprise – one of the largest PET resins producer in the world

• 2007 creating the Green chemistry daughter company BIOCHEMTEX initial (and today) main interest green chemicals for our PET

• 2009-11 pilot plant for lignocellulosic etoh, proprietary technology

• Spring2011-end2013 – first in the world demo plant for lignocellulosic etoh

• On going R&D work on 2g etylen glycol and on lignin based chemicals (incl. PTA)
Project Financing Opportunities

project financing opportunities for bioenergy projects in Eastern Europe

Support of our EU customers to
• access grants (BBI, Horizon)
• access new (future) Ner 300

Central Asia – different/various case studies
Project Financing Opportunities

opportunities that have been used in the past

Good examples are:
1. Crescentino Plant
2. Energochemica Plant Slovakia
Lessons Learned

Grants are useful
Support subsides like NER 300 are useful

BUT
they only improve the business plans,
in many cases they do not solve the main issue that is access to debt and the related
risk assessment

Financing tools are for sure useful and
Loan guarantees have proven to be the most efficient tool to mobilise investment (US,
BRAZIL examples)
Loan guarantees do help, but are they enough?

We do meet investors and banks every week, around the world: so we know what
they think, what they need to take decisions, how they address risk management
Lessons Learned

Some risk management issue and barriers still remain

1. On-going de-risking of technologies:
   - Conversion efficiency improvement
   - Economy of scale overall efficiency

2. Biomass available but still difficult to access to large amounts

3. No market for biobased products
   - Standards to be improved
   - Oil price volatility

Additional EU role to play
Lessons Learned

what does the future market look like?
• EU market for biobased products must still be defined
• Biobased compete with fossil, today in (low range) price fluctuations
• In the case of Biofuels, they not only compete, they must be sold to fossil competitors!

What is still needed?
• only good long term environmental (GHG reduction) policies can define it
  • Mandates/targets for biofuels
  • GPP/incentives for other biobased Products
Thanks

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