

Poland: InvestEU – EIB lends €50 million to dairy cooperative Mlekpól for better production, logistics and storage



- The project will enable Mlekpól to introduce the Industry 4.0 concept and to decrease its carbon footprint.
- The investment is backed by the Investment Plan for Europe and will strengthen the company's presence in the value chain of the food industry.
- The operation targets one of the EU's less developed regions and will create jobs in rural Poland.

The European Investment Bank (EIB) is financing Mlekpól, one of Poland's largest dairy cooperatives, to support the company's modernisation and growth strategy. The €50 million loan (equivalent to PLN 212 million) will help finance a series of investments in Mlekpól's Grajewo processing plant – one of 12 plants the company runs across Poland. The operation benefits from the guarantee of the European Fund for Strategic Investments, the financial pillar of the Investment Plan for Europe.

The expansion and modernisation of the production facilities will provide Mlekpól with additional capacity to process fresh milk and to counterbalance seasonal shifts in supply. The investments will also be used to construct a new warehouse and logistics centre, increasing the company's efficiency. Finally, a combined heat and power plant to be built next to Mlekpól's wastewater treatment plant in Grajewo and fully running on biogas will reduce the amount of sludge the company produces and eliminate its need to purchase grid electricity.

Lilyana Pavlova, EIB Vice-President, said: *"This is our second loan to Mlekpól and our third to dairy cooperatives in Poland. We are convinced that by supporting sound investment plans in agriculture and the food processing industry we can help Poland to strengthen a key sector of its economy, improve its long-term competitiveness and achieve balanced territorial development. This operation is also a good example of EIB support for Polish small and medium-sized companies that have credible growth plans."*

Janusz Wojciechowski, European Commissioner for Agriculture, said:
“Investment in modern technology can bring great opportunities to our farmers and rural areas. I am particularly pleased to see that this project will benefit both the company and the environment as well. The farming community has an important role to play in achieving our climate goals.”

Edmund Borawski, SM Mlekpól President, said: *“Our Dairy Cooperative focuses on sustainable development. The need to protect the environment has become an important factor stimulating the development of innovation. Thanks to EIB support and funds, we will introduce new, more effective solutions, for both production and the environment. We will contribute to reducing external ecological costs and being more energy efficient. We hope that thanks to EIB cooperation and expanding the portfolio of dairy products we will also help to increase trade exchange and further opportunities for the development of the agricultural sector.”*

Background information

About the European Investment Bank:

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

About Mlekpól:

SM Mlekpól was founded in 1981. The company is the leader in terms of product sales and no. 1 in terms of purchase of raw material in Poland. The key offer of SM Mlekpól covers products such as pasteurised milk and UHT, and its flagship brands are Łaciate, Maślanka Mrągowska, Milko, Mazurski Smak, Rolmlec and Białe. Mlekpól has developed a Code of Ethics and a Corporate Social Responsibility policy and the cooperative has decided to undergo annual audits from SEDEX-SMETA (Ethical Trade Audit) and EcoVadis (rating on Business Sustainability) to show its sustainability credentials.

More information: www.mlekpól.com.pl

About the Investment Plan for Europe:

The Investment Plan for Europe was launched in November 2014 to reverse the downward trend in investment levels and put Europe on the path to economic recovery. Its innovative approach based on the use of an EU budget guarantee provided to the EIB Group has enabled and continues to enable substantial public and private sector funds to be mobilised for investment into strategic sectors of the European economy. The Investment Plan for Europe has already generated more than €460 billion of investment and supported 1.1 million start-ups and SMEs across Europe. Find the latest EFSI figures by sector and by country [here](#), or see the [FAQs](#).