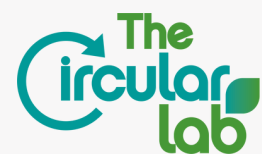


Circular^o economy

Startups report

Q4 2023



ABOUT



[Ecoembes](#) is a non-profit organisation based in Spain that focuses on promoting sustainability and protecting the environment.

Ecoembes is responsible for managing the recycling and recovery of packaging waste in Spain. Ecoembes works with businesses, municipalities, and other organisations to promote responsible waste management practices, reduce waste generation, and increase recycling rates.



[TheCircularLab](#) by Ecoembes is an open innovation center specialised in circular economy, which focuses its activity on the study, testing and development of best practices in the field of packaging and its subsequent recycling.

TheCircularLab also serves as a space for testing and validating new technologies and business models related to the circular economy.



[Net Zero Insights](#) is the leading source for data and insights in Climate Tech.

Investors, large enterprises, policy-makers and businesses use its data to spot the most promising climate solutions and to keep track of emerging trends in the venture space.

The ultimate aim of the venture is to provide decision makers with actionable insights to finance the transition more efficiently.



DISCLAIMER

To provide timely insights into the funding activity in Q4 2023, the analysis refers uniquely to data collected and aggregated on 04/01/24.

CIRCULAR ECONOMY IN EUROPE IN Q4 2023

**EXECUTIVE
SUMMARY**
€890M | **113**
 RAISED | DEALS

TOP 3 KEY PRODUCT VALUE CHAINS*

BATTERIES & VEHICLES



FOOD, WATER, AND NUTRIENTS



CONSTRUCTIONS AND BUILDINGS



TOP 3 DEALS



€182M, EQUITY
 #semiconductor #manufacturing



€137M, CONVERTIBLE
 #batteries #recycling



€100M, EQUITY
 #satellite #wastemanagement

TOP 3 COUNTRIES

UNITED KINGDOM



SWEDEN



FRANCE



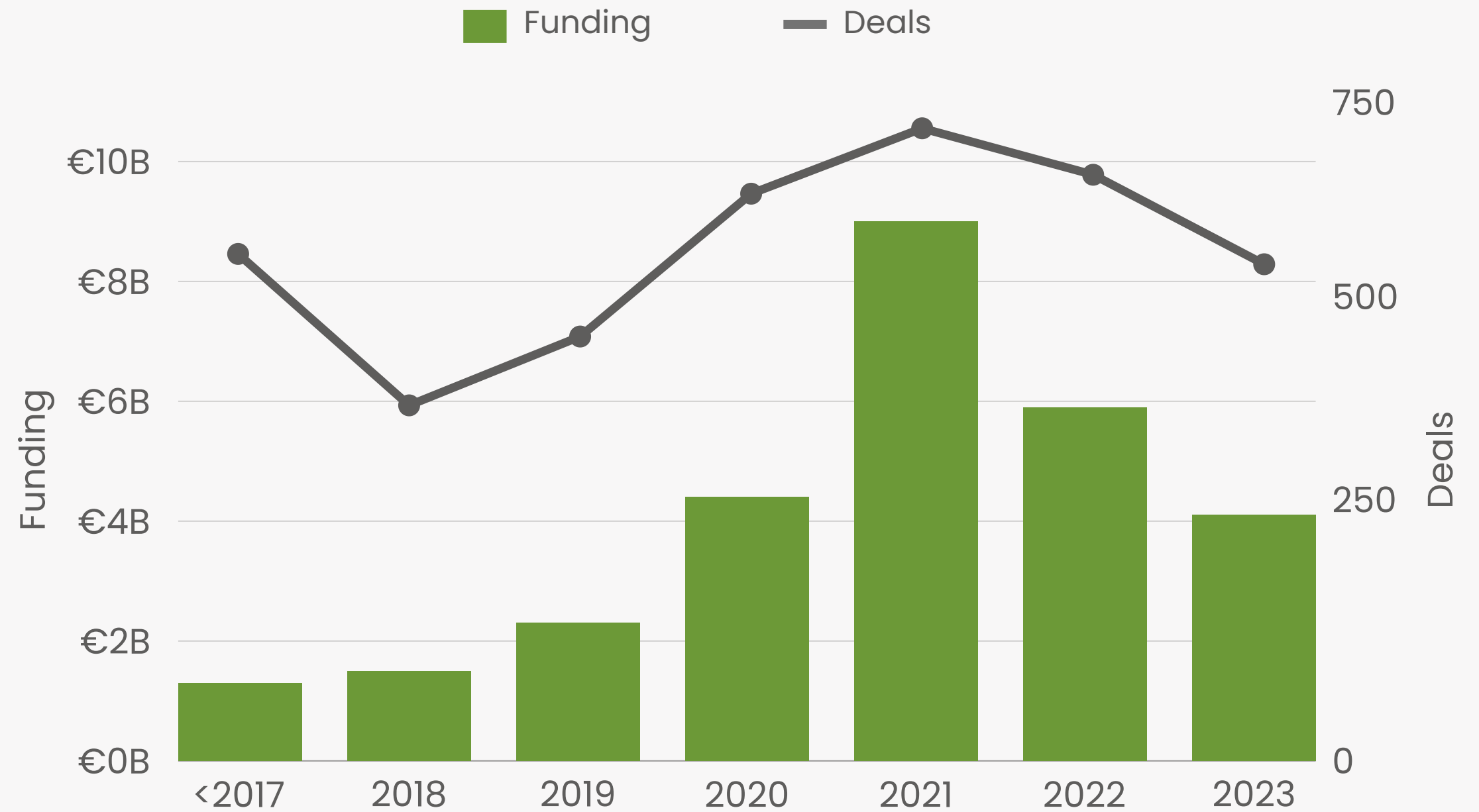
*An organisation can address several key product value chains. The same round can have been counted more than once across the relevant value chains.
 Source: Net Zero Insights

CAN NEW POLICY CHANGE THE TIDE FOR EUROPEAN CIRCULAR STARTUPS IN 2024?

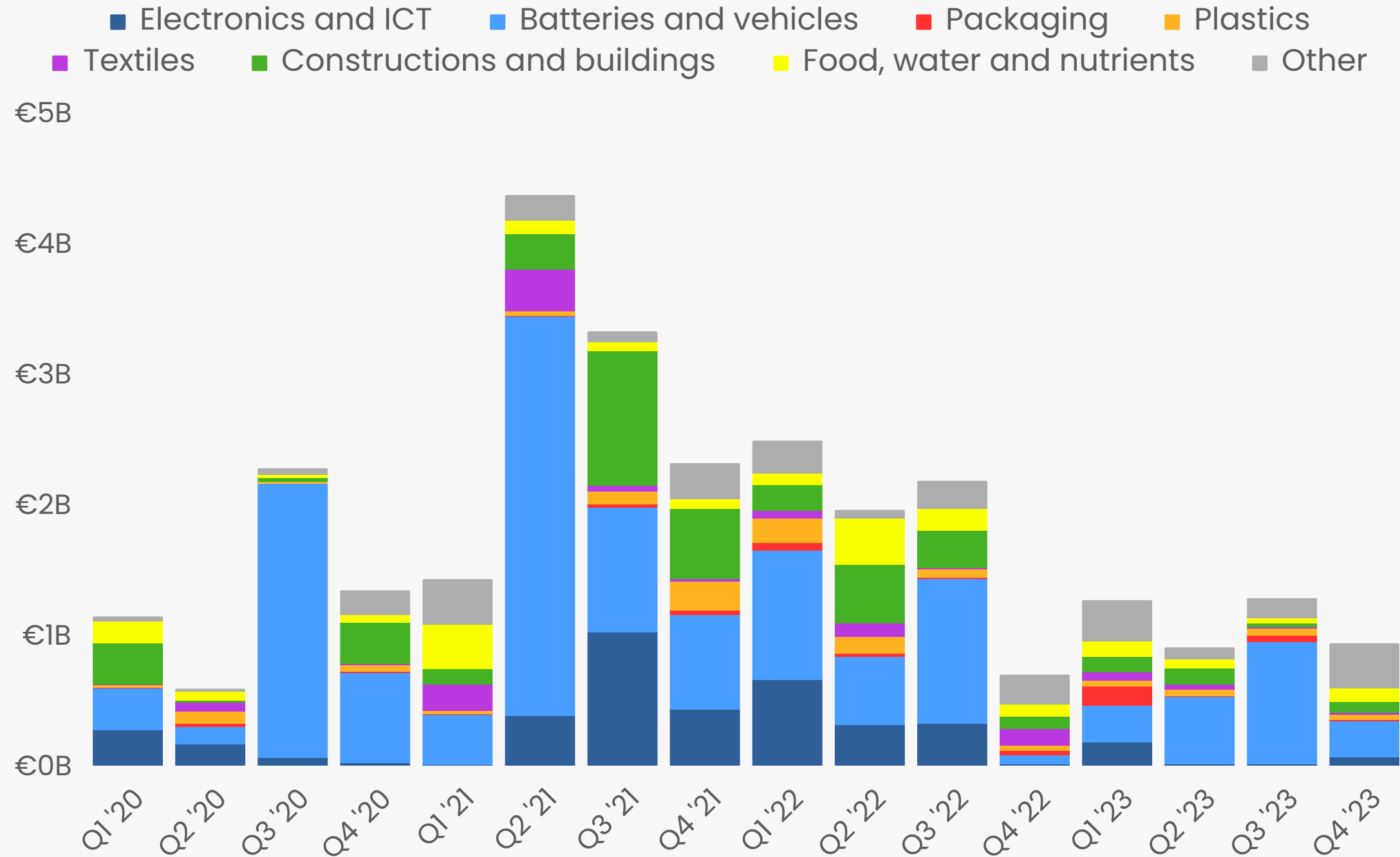
In 2023, European circular startups hit the lowest in funding since their take off in 2021 - after pandemic - with a 31% funding drop and a 17% decline in deals.

However, in July and December 2023, the EU revised rules on textiles, batteries; and packaging waste, and industrial circularity respectively. Could these regulations spur positive developments in investment activity for 2024?

YEARLY FUNDING AND DEALS IN EUROPEAN CIRCULAR STARTUPS



QUARTERLY FUNDING IN EUROPEAN CIRCULAR STARTUPS BY KEY PRODUCT VALUE CHAIN



SPOTLIGHT GROWTH FOR ELECTRONICS, CONSTRUCTION, AND FOOD.

Construction and Buildings; Food, water, and nutrients; and Electronics & ICT saw positive quarter-over-quarter growths of 195%, 174%, and 683% respectively - the only value chains within the circular economy product landscape in Europe to record positive growths this quarter.

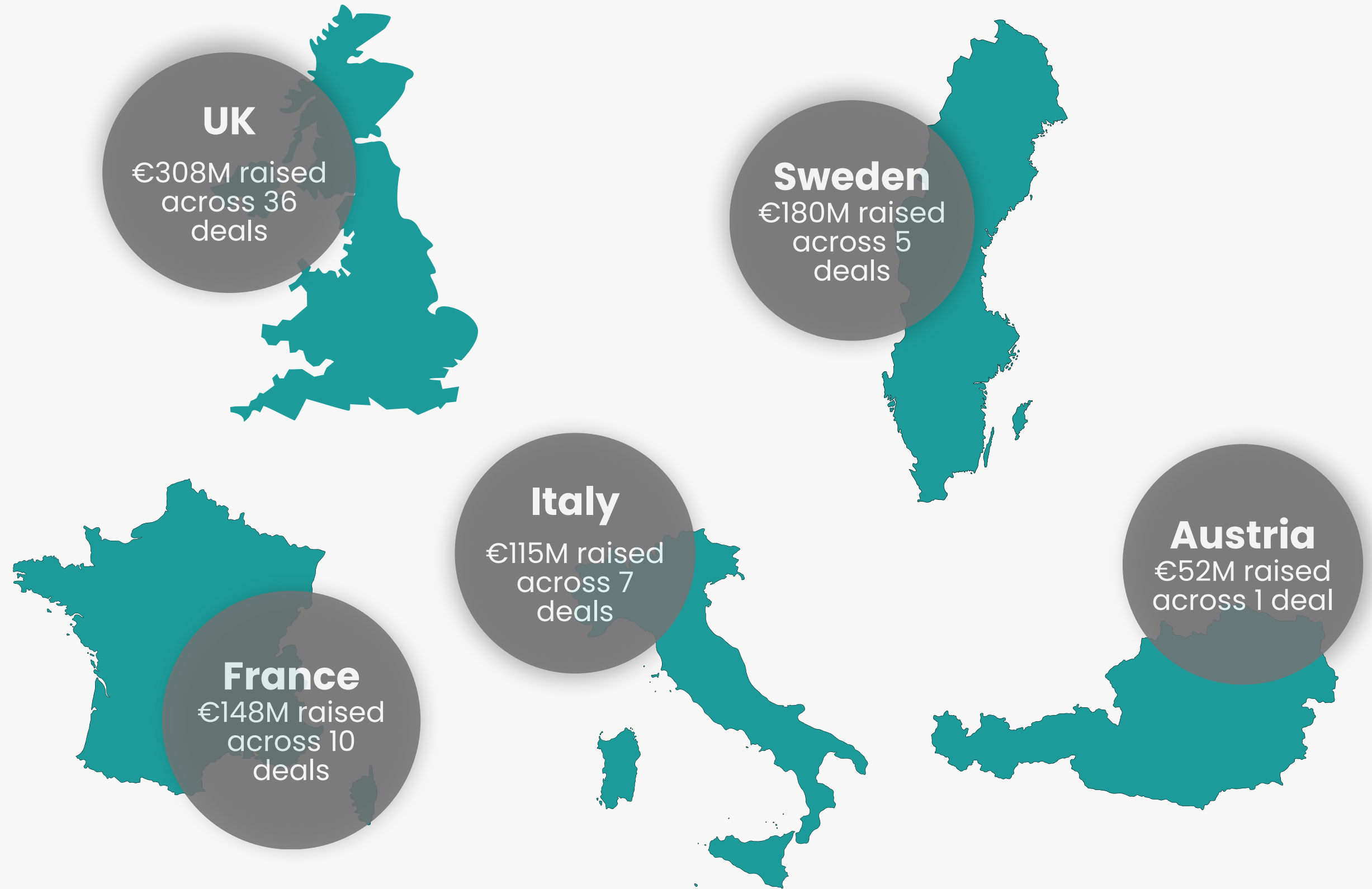
Contrasted with overall market dynamics for Q4 2023, this trend aligns with increasing demand to ensure circularity within each of the sectors.

TOP 5 EUROPEAN COUNTRIES BY FUNDING IN Q4 '23

This quarter, The UK regained its top position in European funding and deals, ranking second overall for the full year 2023.

While Sweden slipped to second spot, it led in terms of funding for the entire year, showcasing its dominance in Europe's circular economy sector.

France and Italy closely followed suit, and Austria entered the top 5, making a noteworthy debut with a sole investment in Refurbed, a startup from the electronic value chain.



TOP 10 DEALS IN CIRCULAR ECONOMY STARTUPS IN EUROPE IN Q4 2023



Pragmatic
United Kingdom
PRAGMATIC
€182.0M
Series D
#chips #manufacturing

[🔗](#)

northvolt
Sweden
NORTHVOLT
€137.1M
Convertible Note
#batteries #recycling

[🔗](#)

D-ORBIT
Italy
D-ORBIT
€100.0M
Series C
#satellite #waste

[🔗](#)

NÉOLITHE
France
NEOLITHE
€60.0M
Early VC
#construction #waste

[🔗](#)

REFURBED
Austria
REFURBED
€52.1M
Series C
#electronics #b2b

[🔗](#)

WEFLEX
United Kingdom
WEFLEX
€46.5M
Debt
#EV #rental

[🔗](#)

MATSMART-MOTATOS
Sweden
MATSMART-MOTATOS
€40.0M
Growth Equity
#e-commerce #waste

[🔗](#)

MECAWARE
France
MECAWARE
€40.0M
Series A
#batteries #recycling

[🔗](#)

UPWAY
France
UPWAY
€27.4M
Series B
#e-bike #marketplace

[🔗](#)

SAFI
United Kingdom
SAFI
€17.8M
Series A
#recycling #b2b

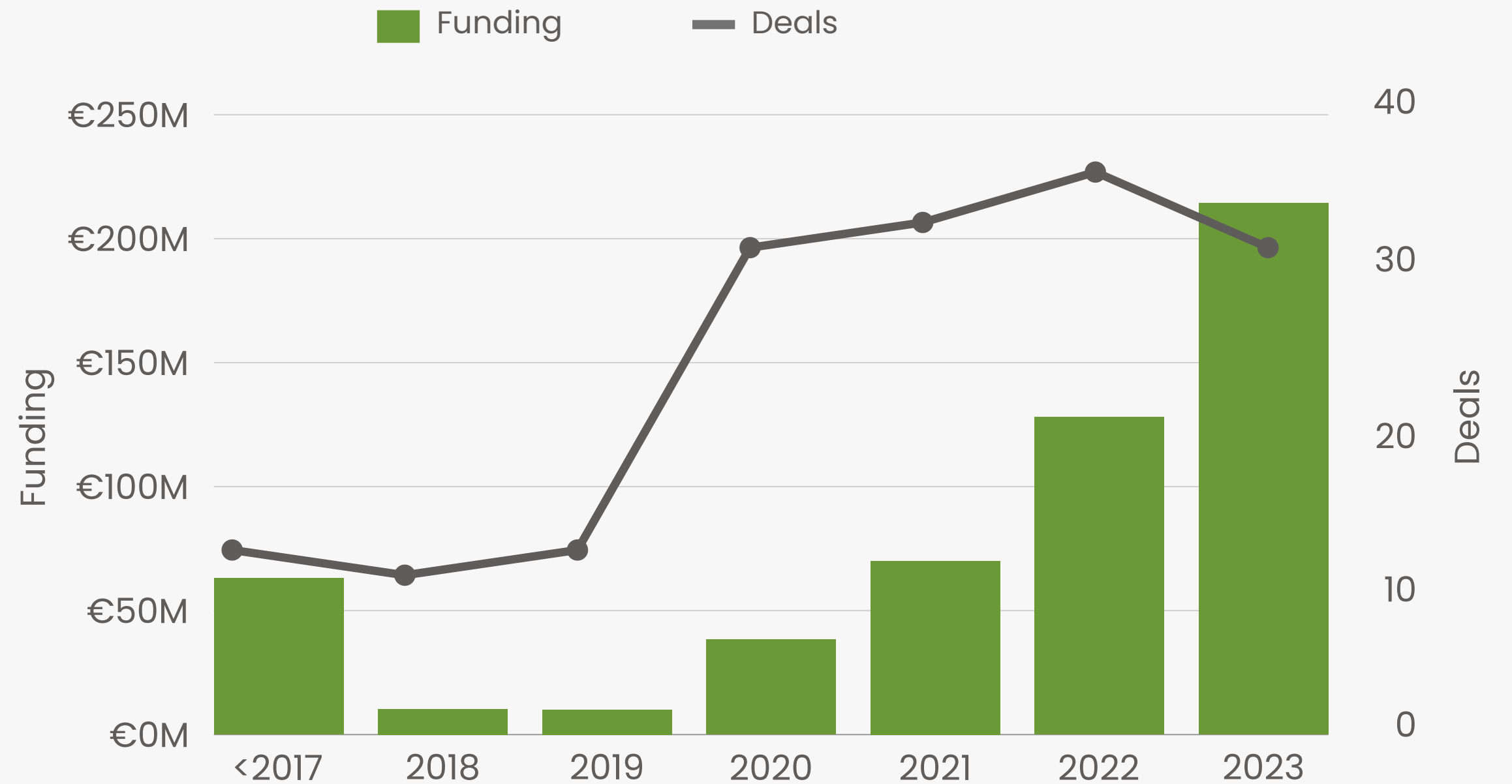
[🔗](#)

STELLAR FUNDING YEAR FOR CIRCULAR PACKAGING STARTUPS

In a particularly volatile year for circular economy startups, circular packaging stood out with its best historic funding numbers. This value chain recorded a 67% year-over-year increase in funding, despite a 14% year-over-year decline in deal activity.

Notably, circular packaging was the only value chain to record a positive year-over-year growth, emphasizing its resilience and attractiveness to investors in a challenging landscape.

YEARLY FUNDING AND DEALS IN CIRCULAR PACKAGING STARTUPS



TOP 5 OF THE MOST RELEVANT STARTUPS RAISED IN CIRCULAR PACKAGING IN EUROPE IN Q4 2023



IMPACT RECYCLING

Impact Recycling's technology separates mixed rigid plastic waste using a scalable, automated, water-based system.



WOOLA

Woola is a company that produces packaging materials from waste wool.



BOWER

Bower is a mobile application that rewards consumers for recycling all types of consumer packaging.



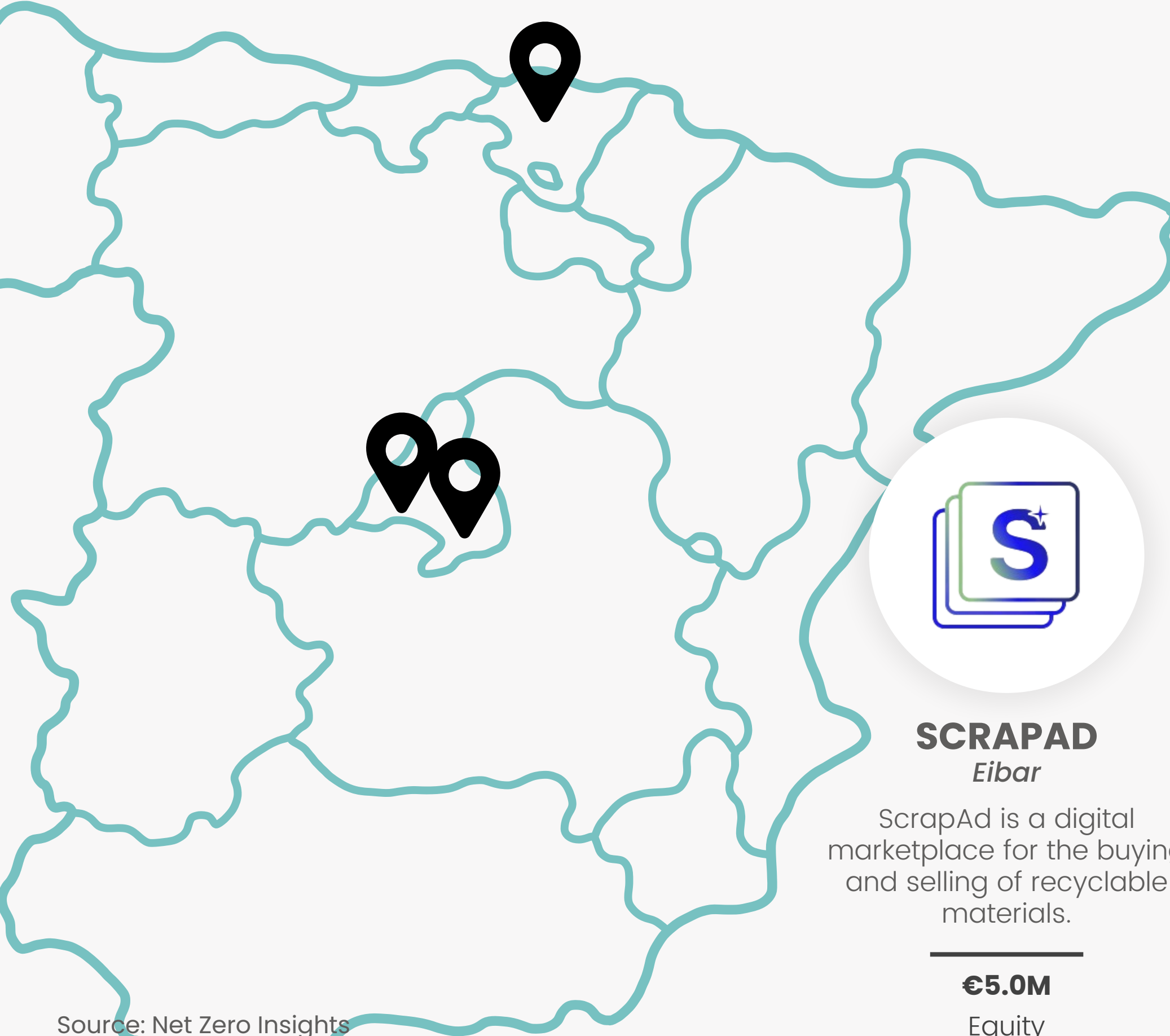
ANOTHERWAY

Anotherway is a company dedicated to creating eco-friendly and sustainable products.

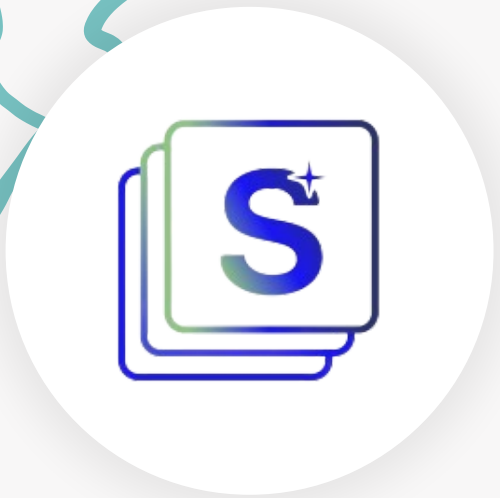


HOMETHINGS

Homethings is the producer of refillable cleaning products intended to remove bacteria from surfaces by using surfactants.



TOP 3 CIRCULAR STARTUPS THAT RAISED IN Q4 2023 IN SPAIN



SCRAPAD
Eibar

ScrapAd is a digital marketplace for the buying and selling of recyclable materials.

€5.0M

Equity



IMPOSSIBLE MATERIALS
Madrid

Impossible Materials manufactures cellulose-based white pigments to replace titanium dioxide.

€2.1M

Grant



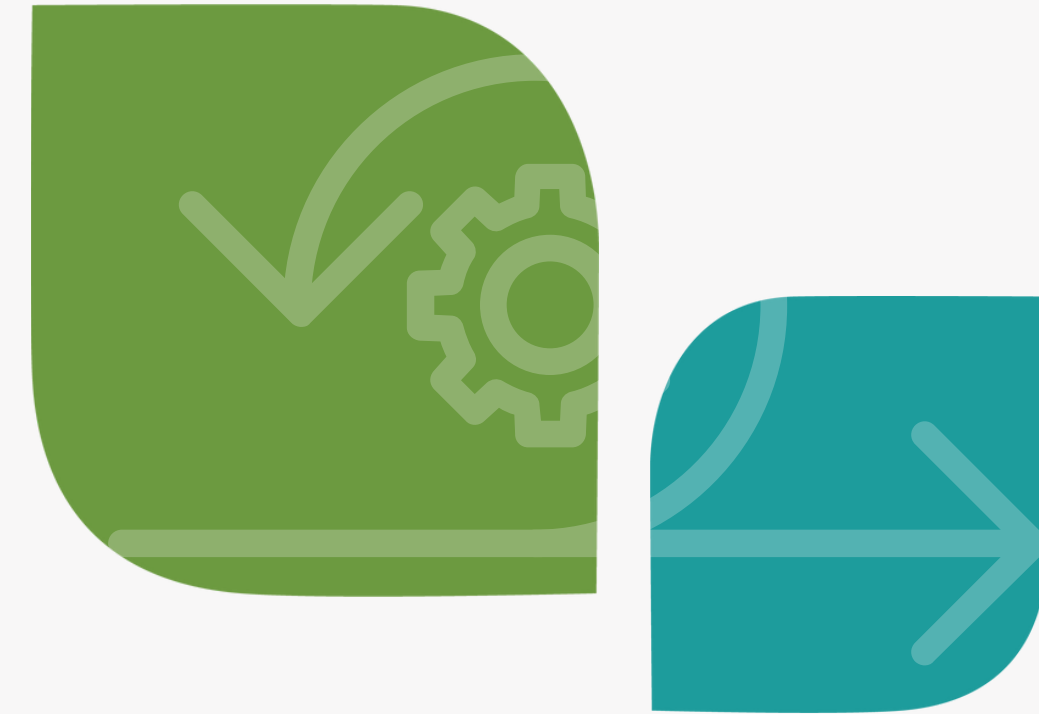
CUIMO
Madrid

Cüimo is a second-hand motorcycle marketplace.

€900.0K

Equity





METHODOLOGY

This report includes data extracted from the Net0 Platform regarding capital raised during Q4 2023 by circular startups with headquarters in the European continent, including the EU27, Albania, Andorra, Belarus, Bosnia and Herzegovina, Faroe Islands, Gibraltar, Iceland, Liechtenstein, Macedonia, Moldova, Monaco, Norway, Russia, San Marino, Serbia, Switzerland, Turkey, Ukraine, and United Kingdom.

The following funding round types are considered out of scope in this report: acquisition, IPO, post IPO, merger, PIPE, secondary transaction, and SPAC.