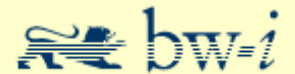


Environmental Technology



Baden-Württemberg

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Environmental Technology in Europe

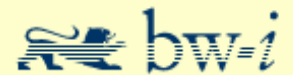
The purpose of this presentation is to:

- Demonstrate the importance of the European Union – the world's largest single market
- Outline its future dimensions as it expands towards the east
- Describe the present status and future prospects for environmental technology within this market
- Explain why Baden-Württemberg is the ideal location from which to serve the Environmental Technology Market – Europe wide

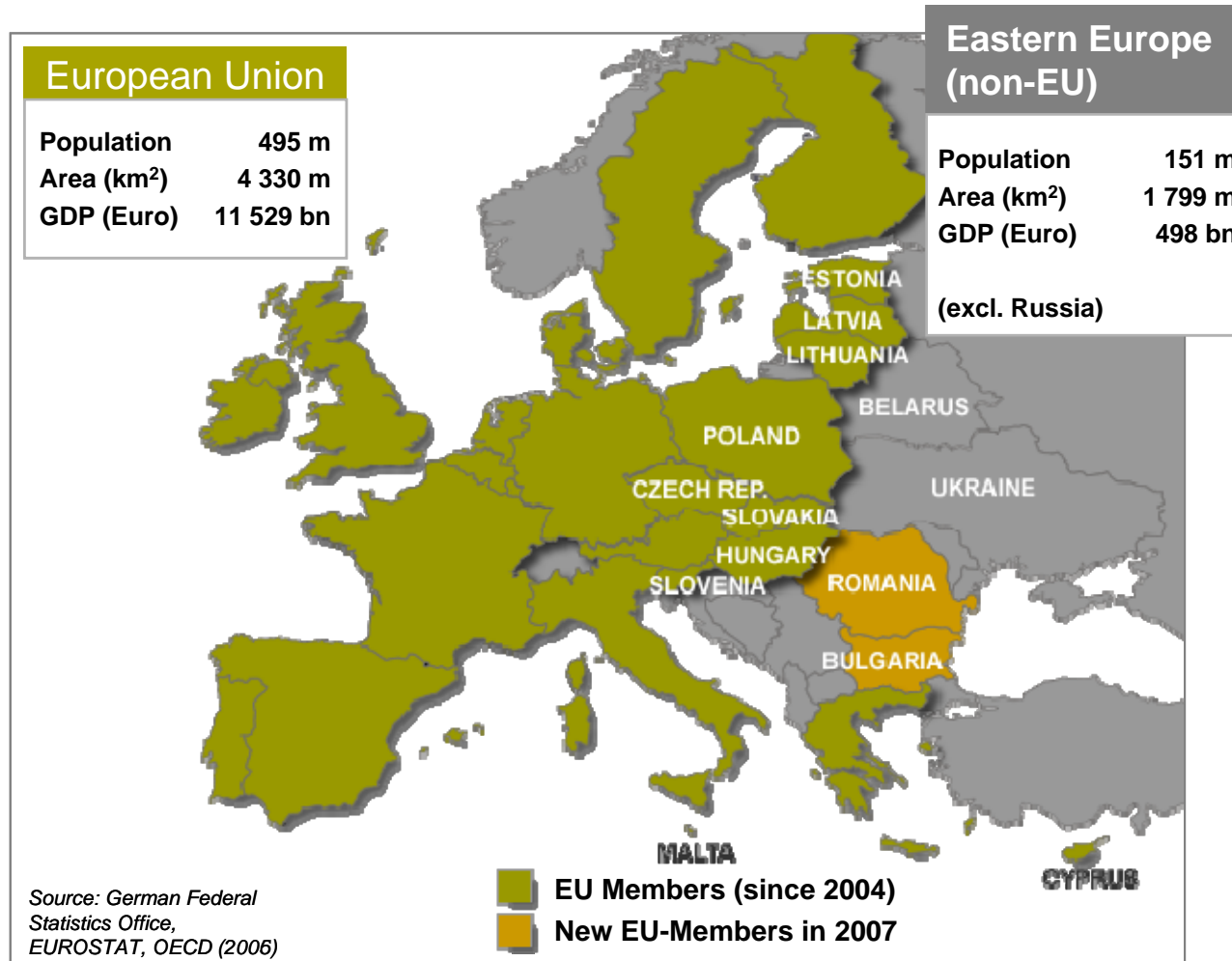


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Europe is expanding towards the East



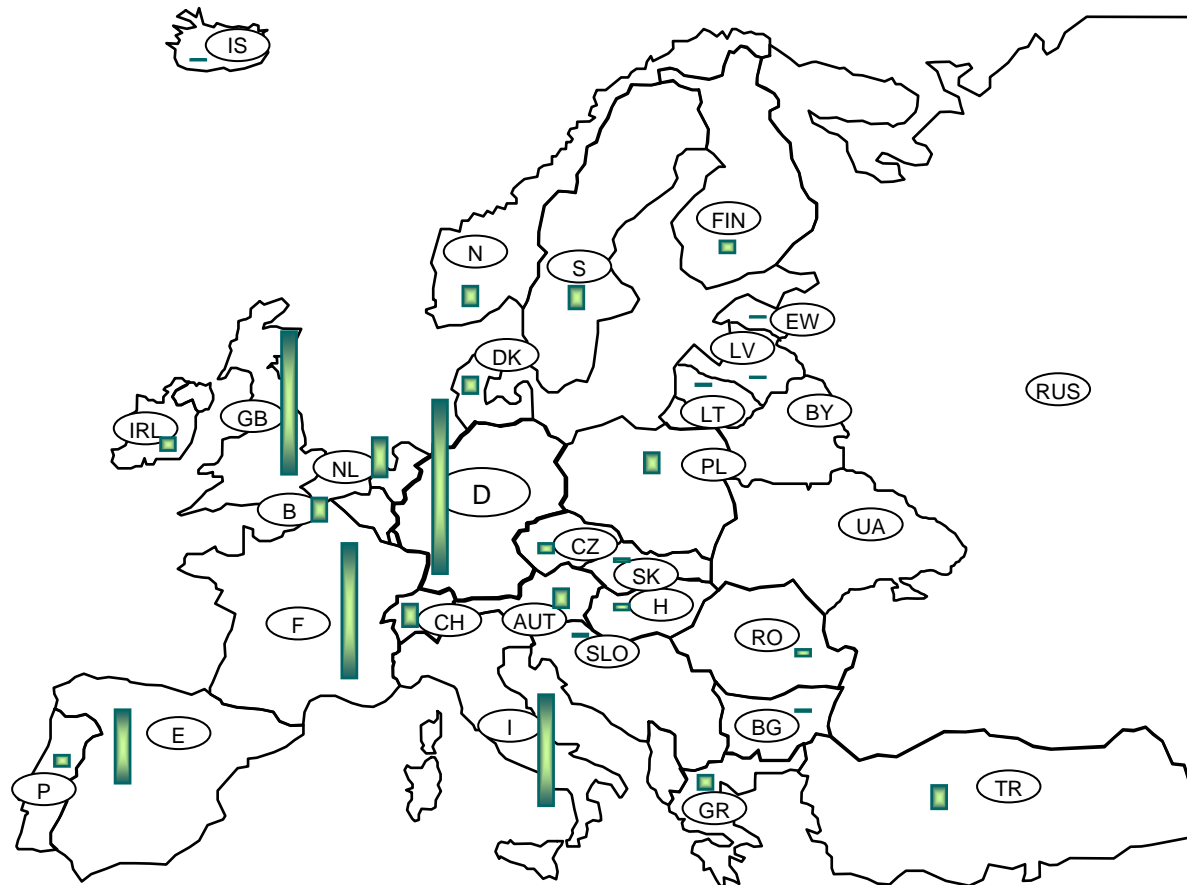
In the last two decades, the sharp contrasts between the Western and the Eastern European countries have been fading and the European Union is the major driver for Europe's integration.

Since May 2004, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, the Baltic States, Cyprus and Malta are members of the European Union. In 2007, Romania and Bulgaria are have joined the EU.

European integration opens up a vast market for your company with untold market opportunities.



The leading Markets in Europe



In 2006, the 27 member states of the European Union had a total Gross Domestic Product of Euro 11 529 bn, exceeding the GDP of the USA (Euro 10 550 bn) and Japan (Euro 3 478 bn).

Four of the member states – Germany, Italy, France and the UK – are among the six largest economies of the world. Of these, Germany has the highest GDP, the largest population, and the highest purchasing power.

Within Germany, the State of Baden-Württemberg, Germany's southwest, is one of the most prosperous and innovative regions.

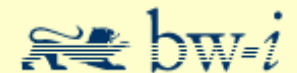
Source: German Federal Statistics Office, EUROSTAT, OECD (2006)

■ Dimension of total GDP

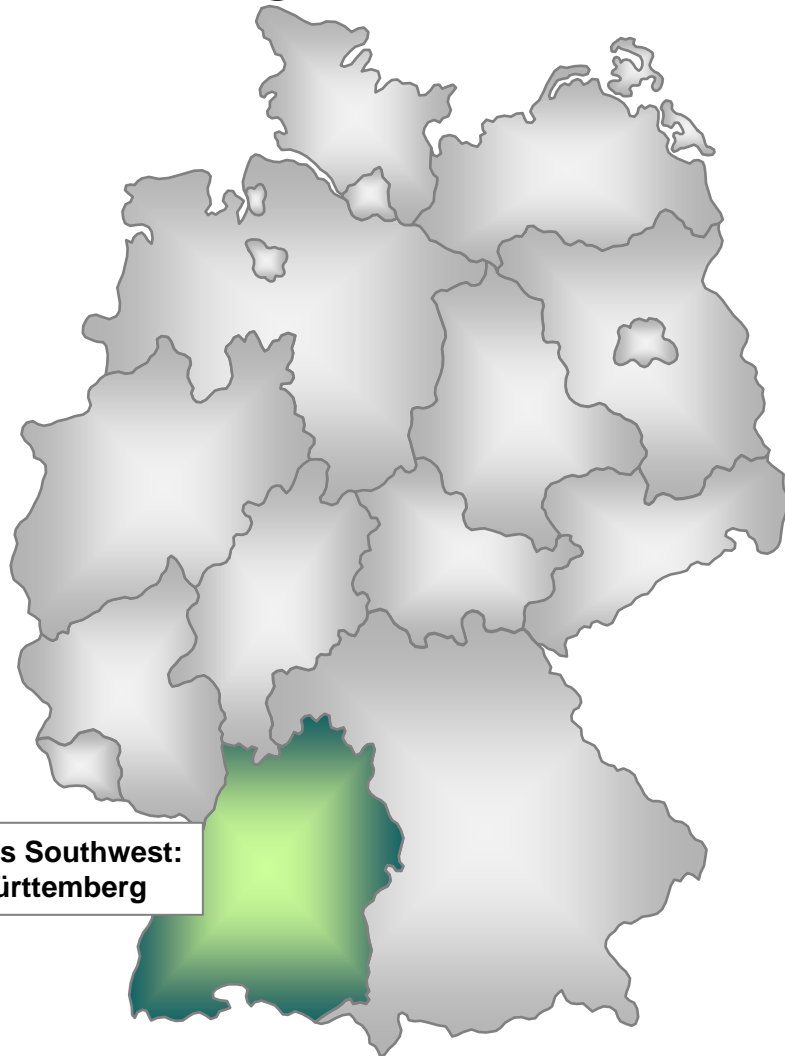


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The right Location for Growth and Prosperity



Germany's Southwest:
Baden-Württemberg

Baden-Württemberg is already the most highly industrialized and one of the most prosperous regions in Germany.

Its proximity to important markets – east and west – makes it an ideal location for pan-European activities.

And it has further merits:

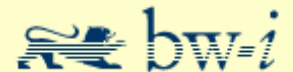
- It has a highly developed infrastructure – suppliers, R&D facilities, business services.
- Its workforce is well trained, innovative and productive.
- Its companies have an established export orientation and know how to penetrate new markets.

It is set to succeed in the 21st Century.



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Protecting the Environment grows in Importance - Worldwide

To achieve this objective, further developments are urgently needed in all areas of environmental technology:

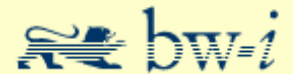
- Air treatment
- Water treatment
- Nature conservation
- Soil protection and waste management
- Noise abatement
- Protection from radiation and dangerous substances

Supply and demand are greatest at the moment in the highly industrialized countries, but the need is universal.



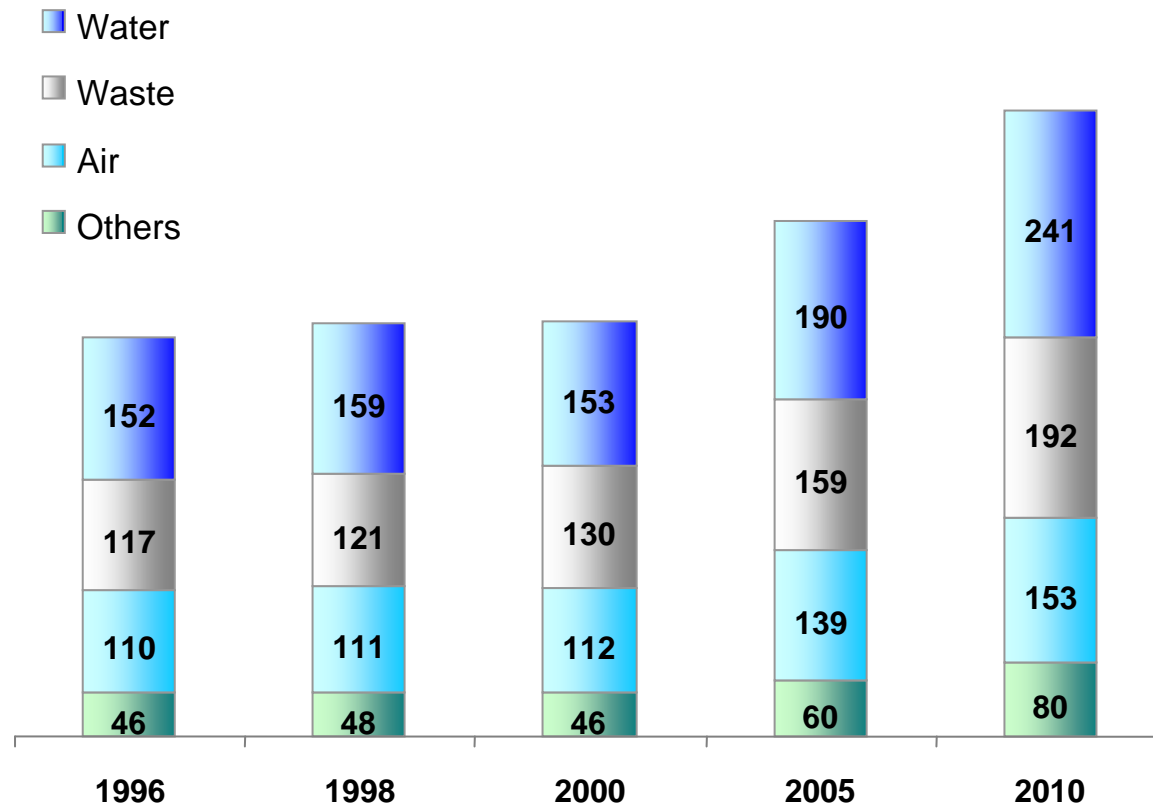
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The World Market for Environmental Technology is growing

The World Market for Environmental Technology in billion €



Source: KAISER Management Consulting

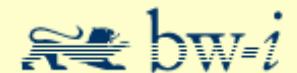
The world market for environmental technology products will grow by – on average – 5.25% per year to reach a total value of € 646 billion in the year 2010.

Growth will be particularly strong in Eastern Europe and in Asia, as environmental awareness spreads. In the case of China, the membership to the WTO leads to high growth rates in environmental technology.



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Environmental Awareness in the EU is very high

The legislation concerning environmental protection is at a very high level in the EU. People in the EU believe that protecting the environment and fighting pollution is an immediate and urgent problem.

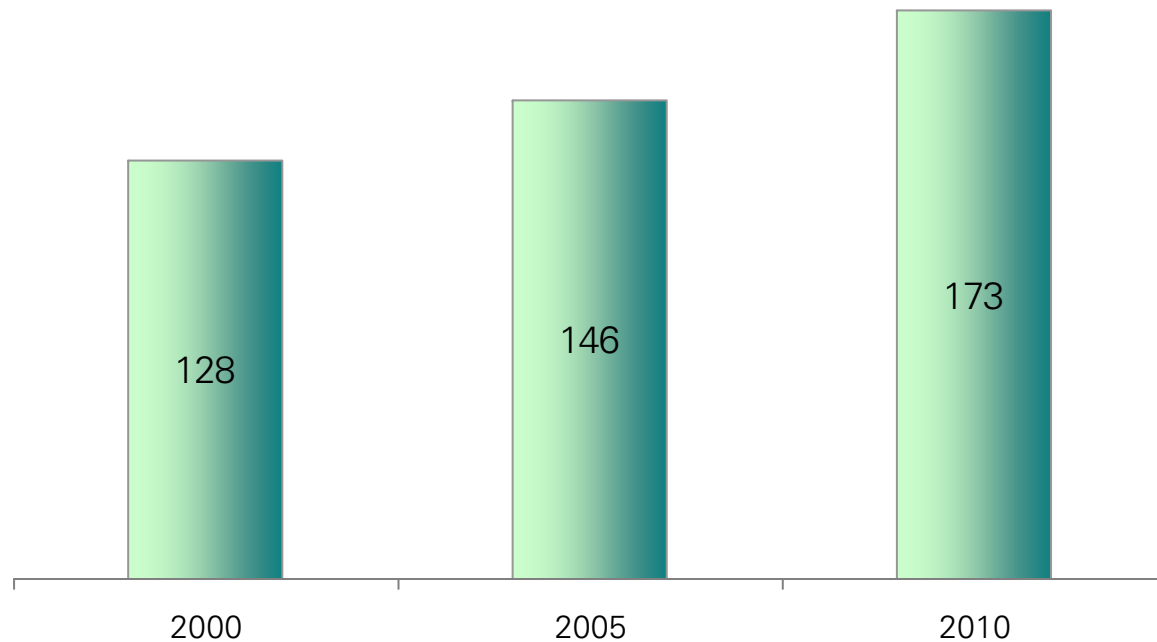
The Fifth Environmental Action Program is designed to

- Maintain the overall quality of life
- Ensure continuing access to natural resources
- Avoid lasting environmental damage
- Achieve sustainable development



The Western European Market is booming

The Western European Market for Environmental Technology in billion €



Source: KAISER Management Consulting

The Western European market for environmental technology is estimated to reach € 153 billion by the year 2010.

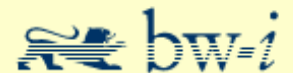
The most important sectors are waste management and water treatment. Successful companies in environmental technology thrive in the EU. They are typically small and medium sized and benefit from their specialized knowledge of local markets.

They support the political authorities in executing EU regulations and by-laws.



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Further Growth Opportunities in the EU

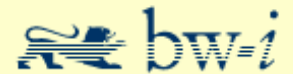


- High-quality, cost-effective products are increasingly in demand
- The market is growing and will continue to increase
- There is room for new market entrants among the wide range of producers
- EU norms and standards are not a hurdle, but an opportunity to serve an strongly expanding market



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A vast Need for Environmental Technology in Eastern Europe



The Eastern European countries are among the most severely polluted regions of the world:

- Heavy industry was developed without concern for the environment
- Large areas of land are contaminated
- Emission levels are excessive
- Rivers, lakes, and groundwater are polluted

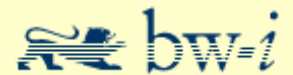
Far reaching improvements are underway:

- Politics and Industry are ready for changes, in the awareness of diseases in the population
- An Environmental Action Plan for Eastern Europe has been adopted
- The World Bank and other donor agencies are financing environmental improvements
- National environmental agencies are introducing pollution control



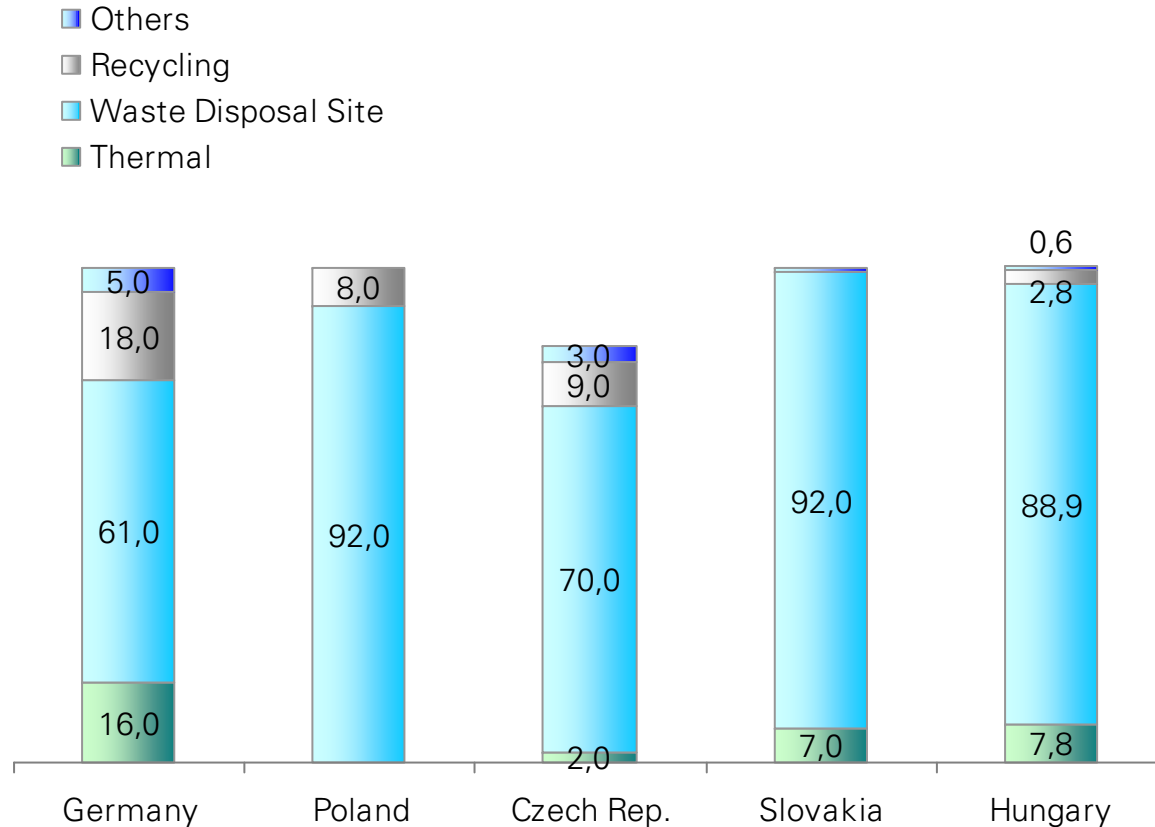
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Waste Treatment is an important Growth Field in Europe

Methods of Waste Treatment by Country



Source: KAISER Management Consulting

Eastern European market has significant differences in their environmental technology status in different countries.

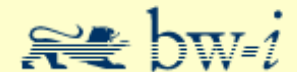
Eastern European countries are far behind Western Europe in their waste treatment capacity.

Recycling and other environmental technical markets are growing markets in Eastern Europe. There is a low degree of saturation and a growing awareness concerning environment in the population.



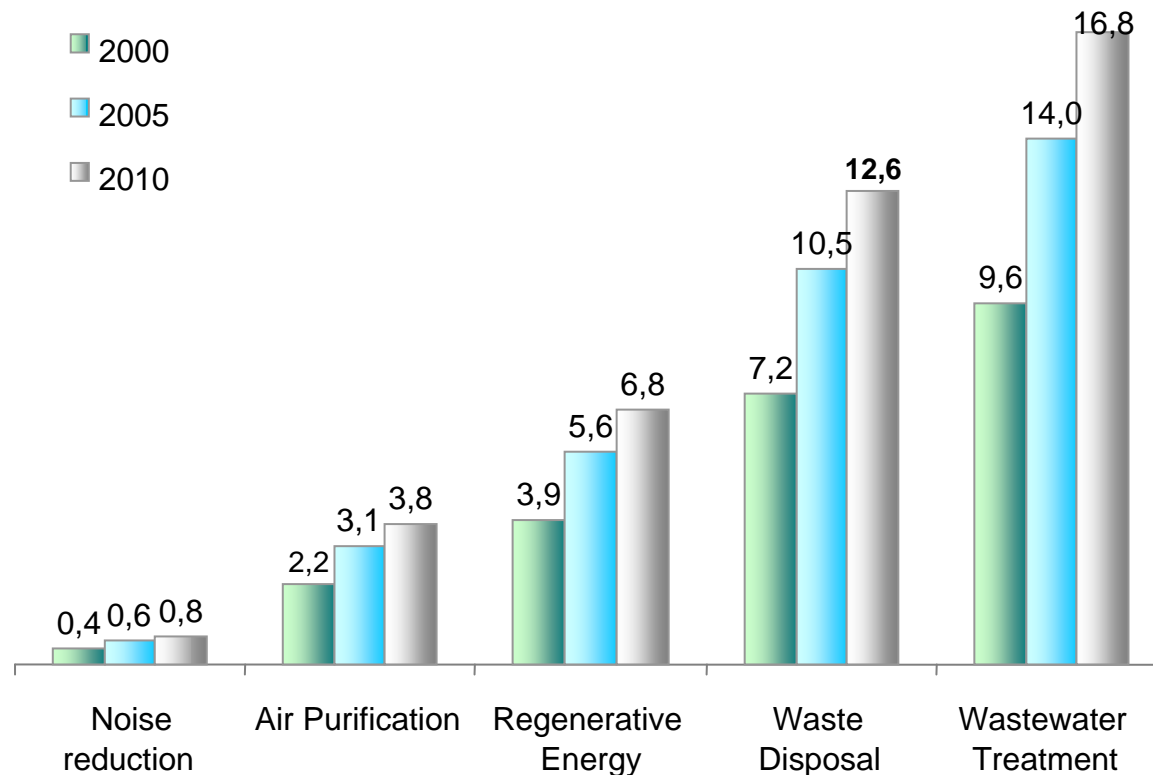
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In 2010 Eastern Europe will be a multi-billion Market

Total spendings for Environmental Technology and Regenerative Energy in Eastern Europe* in billion €



Source: KAISER Management Consulting

Local spendings for environmental technology products is expected to grow steadily. The market value is expected to grow to €27.4 bn in the year 2005 and €33.3 in 2010.

However, in view of the enormous gap that has to be closed to meet Western levels in environmental protection, and the high level of technology required in this sector, imported goods will be the mainstay for years to come.

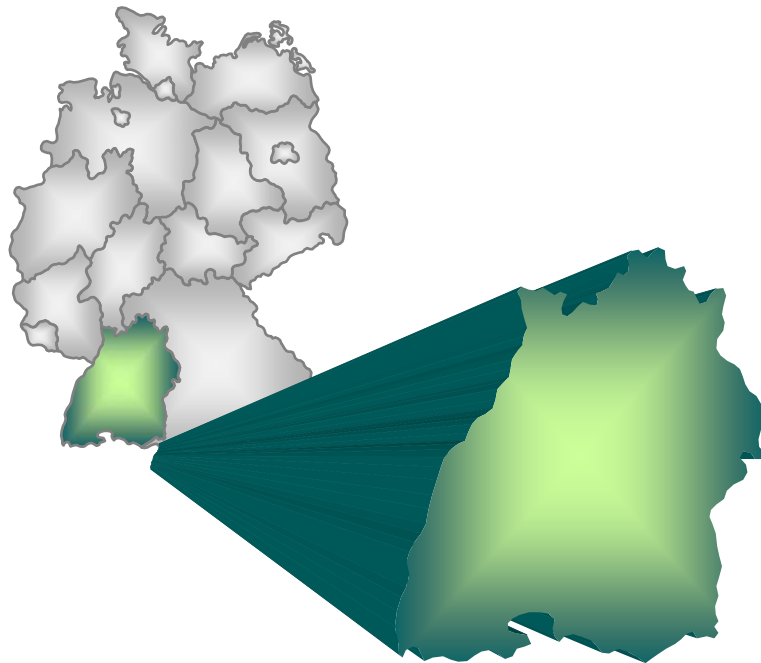


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Environmental Technology is booming in Baden-Württemberg

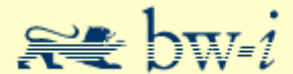


- Companies in Baden-Württemberg were quick to recognize the importance of protecting the environment and to adopt innovative solutions.
- Today more than 1 000 companies are active in the field of regenerative and environmental technology.
- Innovations originating in Baden-Württemberg have focused on air and water treatment, restoration of contaminated soil, ecological production processes and energy saving.

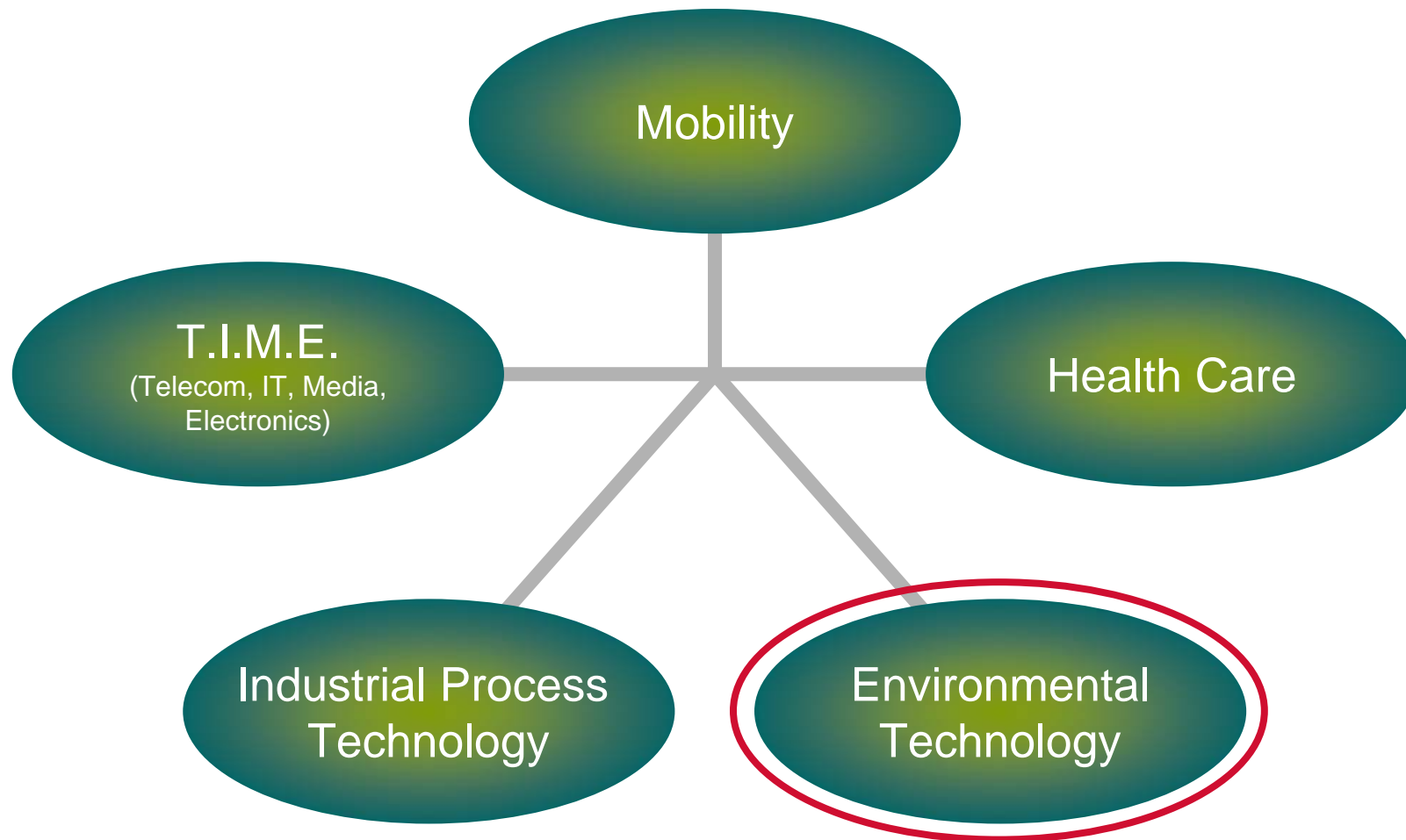


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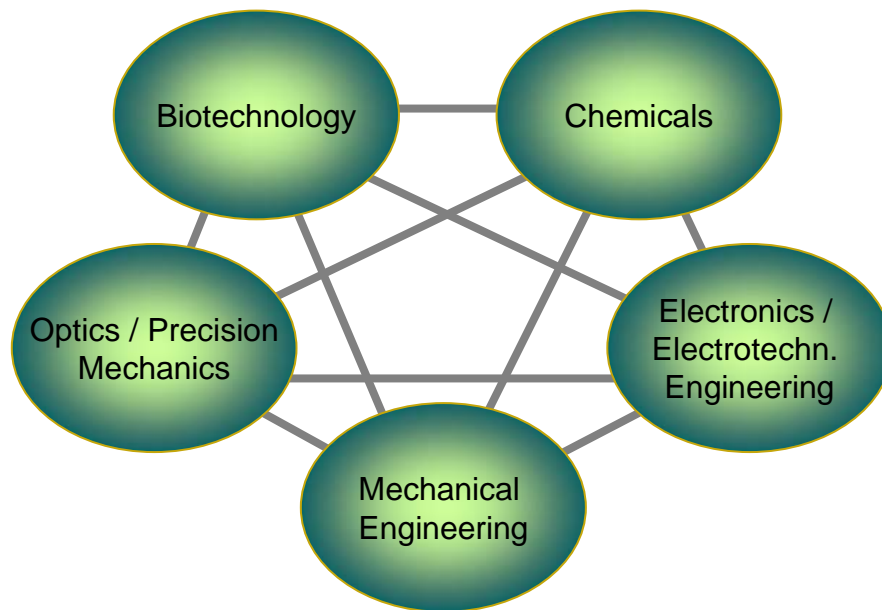


Environmental Technology – a Key Cluster in Baden-Württemberg



The Environmental Technology Cluster in Baden-Württemberg

Baden-Württemberg's Environmental Technology Cluster



Environmental Technology is not a clearly defined sector, but a network of different industries.

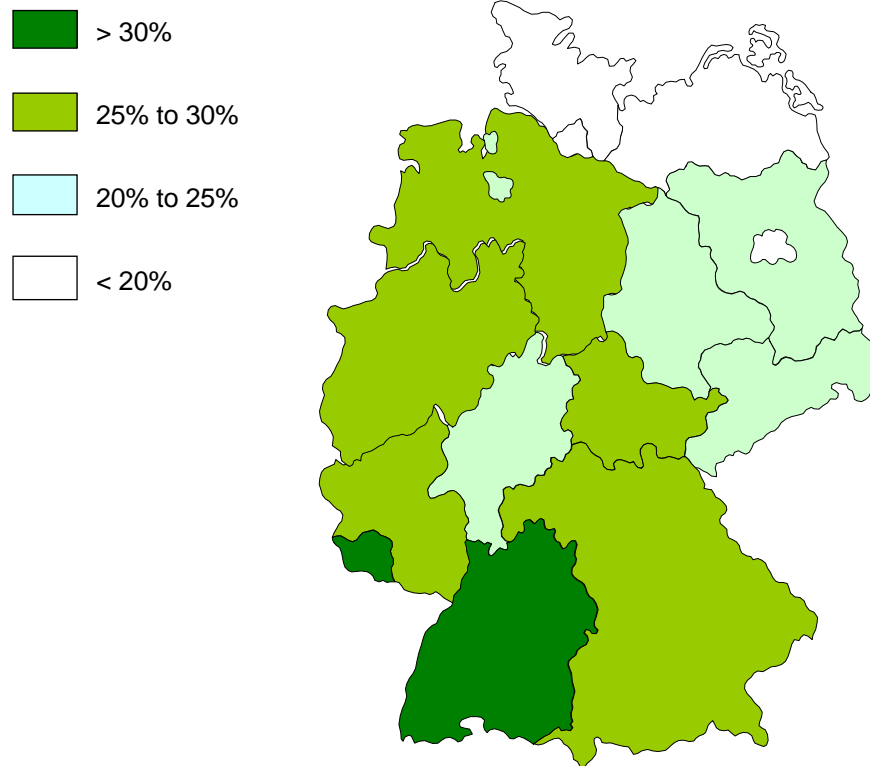
Particularly in Environmental Technology, innovation depends on close cooperation between these different sectors of industry.

In Baden-Württemberg, all relevant industries are present in great density – one of the few regions worldwide that offers this advantage.



Baden-Württemberg – Germany's most industrialised State

The Manufacturing Industry's Share of National Economy (in%)



Source: German Federal Statistics Office

The environmental industry draws on all the high-tech skills of the modern age: mechanical engineering, electronics, vehicle construction, precision machinery and optics – and needs high-quality suppliers.

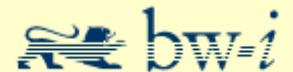
Within Germany, 22% of the companies in these sectors are in Baden-Württemberg.

With its industrial density and dedication to quality, Baden-Württemberg is the ideal location for companies in the environmental field.



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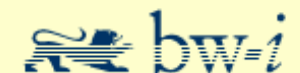


Companies

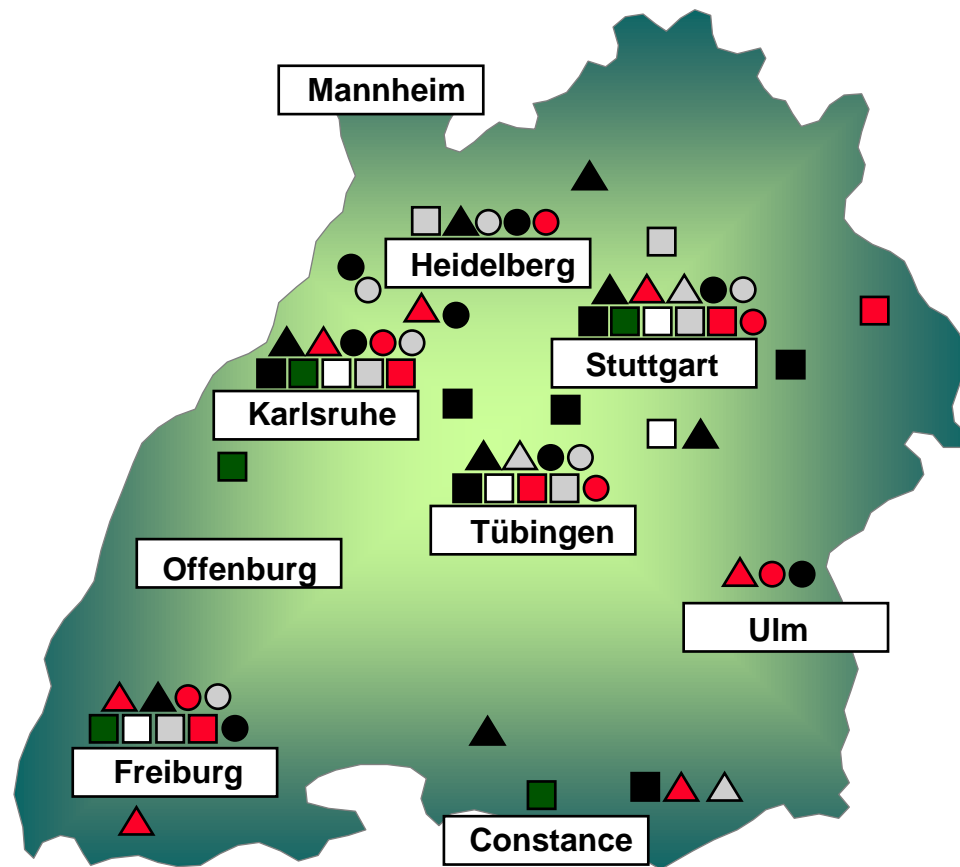


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Environmental Research is carried out throughout the State



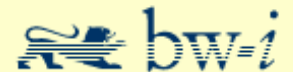
Focus of environmental research:

- Waste Management
- Bio-Monitoring
- Soil
- ▲ Energy
- Agriculture
- Air Purification
- ▲ Natural Resources
- △ Radioactivity
- Environment-Related Information Techn.
- Forest Damage
- Water Treatment

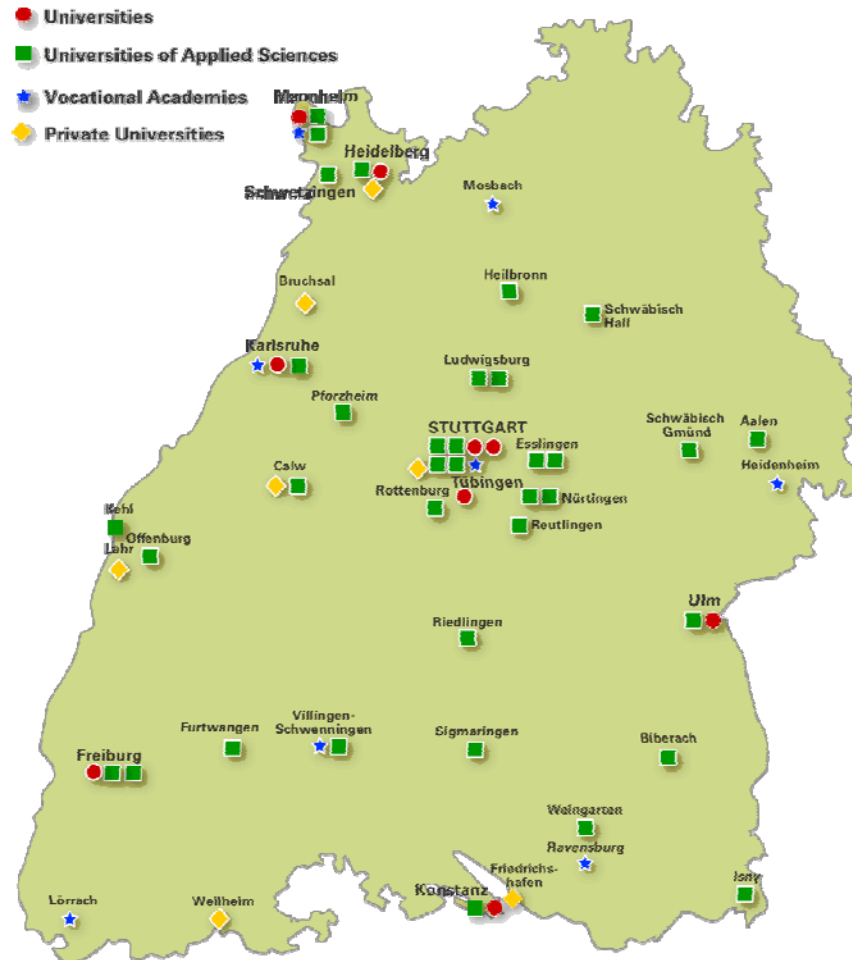


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Baden-Württemberg – An excellent structure for higher education



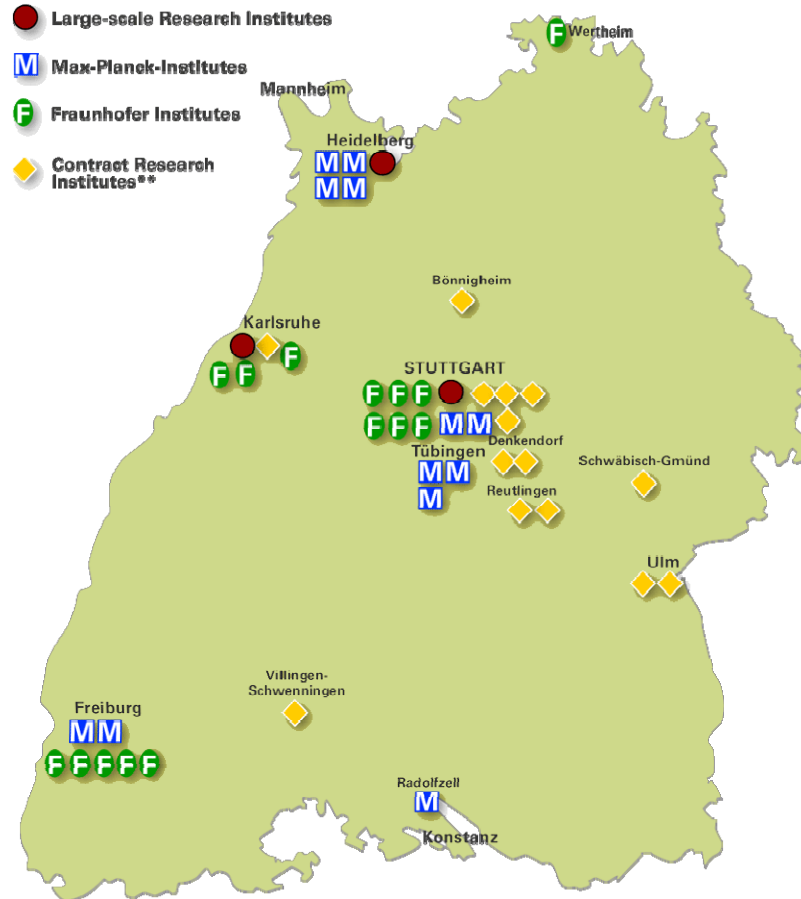
Baden-Württemberg has the most densest and the most modern structure of Universities and Academies for higher education, including

- 9 Universities
- 36 Universities of Applied Sciences
- 6 Universities of Education
- 8 Universities of Arts
- 8 Vocational Academies
- 7 Private Universities

A network of technology transfer centers provides the bridge between private industry and research institutes and guarantees rapid access to new results.



Baden-Württemberg – A highly developed Research Infrastructure



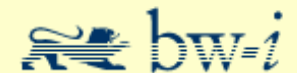
The State provides a unique research infrastructure consisting of

- 3 Large-scale research institutes
- 12 Max-Planck-Institutes
- 15 Fraunhofer Institutes
- 13 Contract research institutes

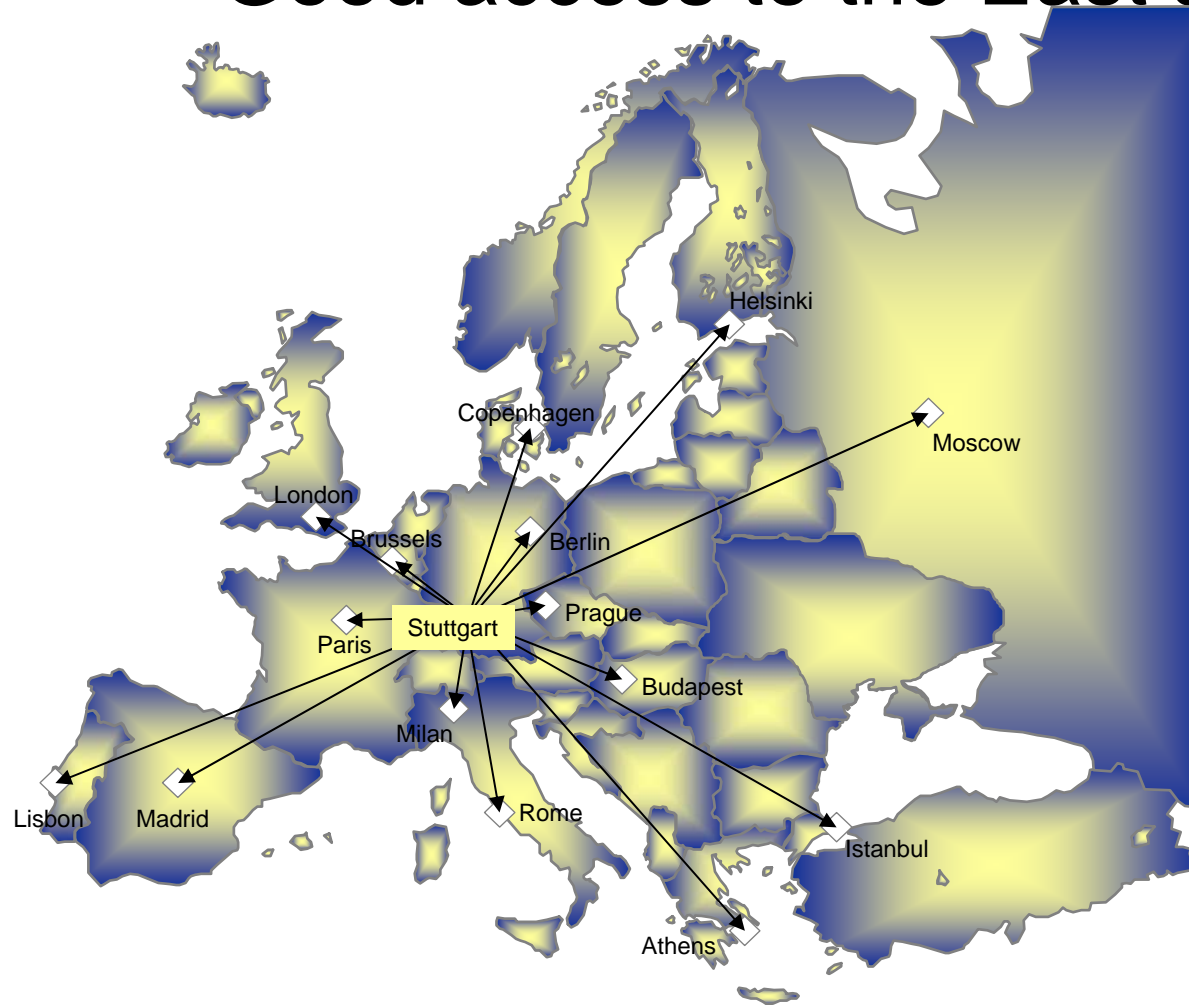


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Baden-Württemberg – Good access to the East and the West

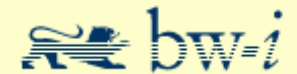


Distance	in km	flight time
Athens	1677	3hrs/40
Berlin	512	1hr/10
Brussels	416	1hr/5
Budapest	749	1hr/20
Copenhagen	802	1hr/40
Helsinki	1621	2hrs/40
Istanbul	1776	4hrs
Lisbon	1841	2hrs/10
London	727	1hr/50
Madrid	1378	2hrs/20
Milan	369	1hr/5
Moscow	2067	5hrs/10
Paris	502	1hr/20
Prague	408	1hr
Rome	808	1hr/35



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Baden-Württemberg Facts & Figures

Population	10.7 million inhabitants
Gross domestic product (GDP)	Euro 353 billion
Expenditure on R&D	Euro 13.7 billion = 4,2% of the State's GDP
Patent applications per year	> 13 638 = 28,5% of German total
Number of manufacturing plants (with more than 50 employees)	4 500
Export quota (manufactured products)	51 %
Value of exports	Euro 150 billion = 1.8 % of the World's exports
Research facilities	> 100 major research institutes
University, technical and vocational college students	242 938



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Services provided by Baden-Württemberg International

Baden-Württemberg International is your central port of call if you are looking for a location or a Baden-Württemberg partner with whom to establish fruitful business relations. Our range of services includes:

When you are looking for an industrial location:

- Information on Baden-Württemberg and on individual industrial sites.
- Consulting on government subsidies and programs.
- Assistance with all contacts to authorities, including permit procedures.
- Support in the search for suppliers and the selection of service companies.

When you are looking for cooperation partners:

- Information on market potential and market specifics.
- Planning of information visits, including appointment scheduling.
- Identification of potential partners that meet your specific demands.
- Assistance with trade fair activities in Baden-Württemberg.

Baden-Württemberg International
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Internet: www.bw-invest.de • E-Mail: info@bw-i.de



Baden-Württemberg

Baden-Württemberg International The logo for Baden-Württemberg International, consisting of a stylized blue and white graphic followed by the lowercase letters 'bw-i' in a blue serif font.