

Bringing Advantageous Business Fields and Technical Products of SMEs in Europe to China

Mads Terkelsen, M. Sc., Counselor, Water and Environment,
Royal Danish Embassy Beijing

Outline

- Water challenges and causes in China
- Responsibilities; capacity and quality
- Technologies
- Market access, sustainable and long term

Water challenges and causes in China

Challenges

- Pollution
- Water scarcity
- Floods



Causes

- Growth
 - Urbanization
 - Agriculture
 - Water infrastructure
- Climate change



Responsibilities

Based on:

- Regulation incl. 5 years plans and Water Ten Plan etc.

Main focus areas (from Water Ten Plan):

- Control pollution discharge, promote economic & industrial transformation and save & recycle resources;
- Promote science & technology progress, use market mechanisms and enforce law & regulations;
- Strengthen management & ensure water environment safety; and
- Clarify responsibilities & encourage public participation.

Responsibilities

Water capacity (drinking water resource, floods management, infrastructure etc.)

- Ministry of water resources
 - Provincial water resources departments
 - Municipal water bureaus
 - Water utilities/municipal engineering management offices (tendering level)

Water pollution

- Ministry of Ecological Environment
 - Provincial environmental protection departments
 - Municipal environmental protection bureaus
 - Municipal engineering management offices (tendering level)

Responsibilities

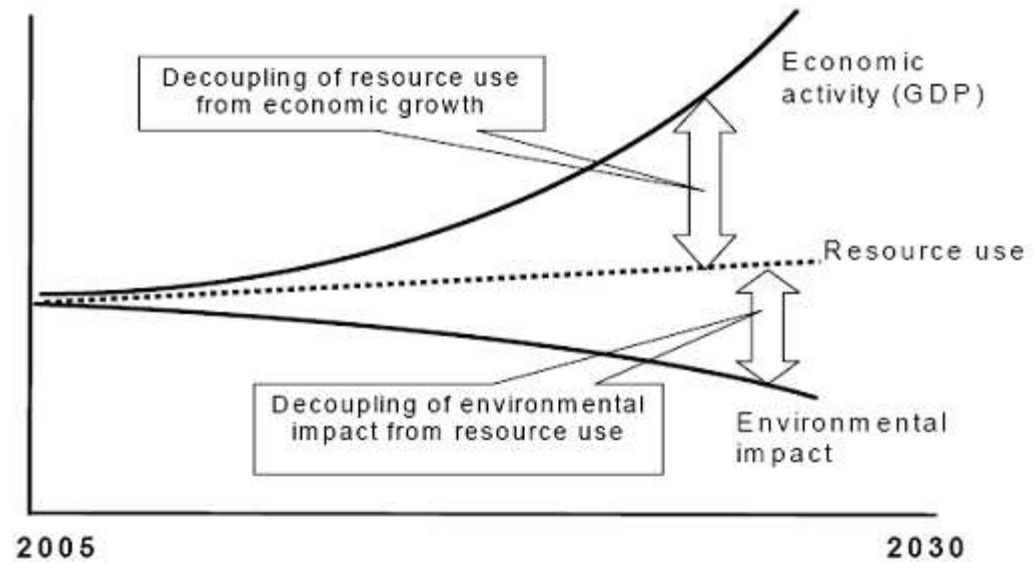
Prioritization

- 7 key rivers: Yangtze, Yellow, Pearl, Songhua, Huai, Hai & Liao River;
- 9 key coastal bays;
- 3 key regions: Beijing-Tianjin-Hebei, Yangtze River Delta & Pearl River Delta; and
- 36 key cities: Beijing, Tianjin, Shanghai, Chongqing, 27 provincial capitals & 5 cities specifically designated in the state plan (including Dalian, Ningbo, Qingdao, Shenzhen & Xiamen).

- New priorities – moving west

Responsibilities

Maintain growth!



- Develop the area – build Chinese expertise and business

Technologies

Any European proven technology is relevant – China is big!

Wastewater

- industry, agriculture (livestock), urban households (big scale, small scale), rural households,
- Large systems (energy producing wastewater plants)
- Small systems (eco-treatment systems)

Water resource

- Clean drinking water supply
 - Water works
 - Water supply infrastructure
 - Water protection and control
 - Drinking water treatment
 - Etc.

Technologies

Floods water management

- Floods management
 - Warning systems
 - Technical solutions
 - Design
 - Hardware
- Sponge city construction – integrated water resource management
 - Wastewater treatment
 - Floods management
 - Water supply

Market access, sustainable and long term

What are the incentives for the Chinese to apply European technologies?

- They help solve a problem – fast! No development and testing necessary
- Maybe good cheap solutions - “maintain growth”!
- Long term – then what?

Market access, sustainable and long term

Competiveness

- Demands
- Proven technology
- Initial costs
- Long term costs
- Quality
- Production in China

Market access, sustainable and long term

What company set-up in China – advantages and disadvantages?

- Office and manufacturing in China
 - Good access – not full
- Joint Venture
 - Full access – some good examples some bad examples
- On your own
 - Difficult

Market access, sustainable and long term

Business model

- Wastewater
 - PPP, subsidies, pricing
- Drinking water supply
 - pricing, subsidies
- Floods management
 - subsidies

Market access, sustainable and long term

Trust

- Technology efficiency
- Technology quality
- Services
- Costs
- Relations

Market access, sustainable and long term

Design base, background information

- Existing and potential pollution sources
 - Amounts
 - Quality data
 - Planning information
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- Provided by authorities, companies and research institutions

Market access, sustainable and long term

What could be done in China to improve access for relevant European technologies?

- Prioritization
- Clear organization/responsibilities
- Clear funding information
- Transparent tendering
- ?
- ?

Market access, sustainable and long term

- What can the company do to improve market access?
 - Knowledge exchange – basis for understanding
 - Government to government/EU to China
 - Business to business
 - Research institutions
 - Trust
 - Demonstration
 - Projects in China
 - Study tours
 - Presence in China
 - Participation from European authorities

Thanks for your attention