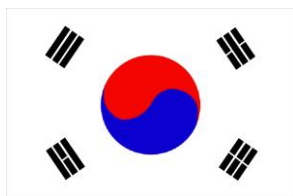


MARKET OPPORTUNITY KOREA

Environment & Water Technologies



ENVIRONMENT
& WATER
TECHNOLOGIES



OVERVIEW

- Korea's "Resource Circulation Economy and Society" initiative is foreseen to drive investments in environment and water technology as the country seeks solutions to reduce reliance on natural resources and adopt new recycling technologies.
- Korea's environmental industry is expected to grow to more than EURO 107.7 Bil. by 2020. (MoE: Ministry of Environment)
- High growth is observed and expected in the areas of recycling, waste management, sewage and wastewater treatment, and air quality management technologies.
- The technology competitiveness of Korean companies in the environmental industry was evaluated as 5 years behind on average compared to leading countries such as EU and the US.

Top Business Opportunities for EU Companies

Waste sector

1. Companies offering innovative technologies in recycling e-waste (urban mining), Waste-to-Energy and bioplastics (bio-degradables).
2. Companies open to joint venture opportunities or partnerships with local companies.

Water sector

3. Companies offering O&M solutions, systems and technologies.
4. Companies offering components and equipment relevant to the water supply chain.

Air sector

5. Companies offering advanced air pollution control technology.

Other opportunities

6. In Environmental Safety & Health, Companies that are open to collaborating with small local enterprises and start-ups in technology development on noise and vibration control.
7. Soil prevention. Companies that offer technologies and innovative solutions for the soil restoration market.

MARKET CHARACTERISTICS

Sub-sector | Waste

- The amount of waste generated increased by 14.5% from 375 Mil. tons (2010) to 429 Mil. tons (2016), while waste recycling rate increased by 2.1%p from 82.7% (2010) to 84.8% (2016).
- The implementation of new policies to promote circular economy will increase demand for recycling technologies and manufacturing facilities for recycled products. Expect a boost for the waste-to-energy market.

Sub-sector | Water

- About 84% (11,683) of water companies are small sized firms with less than 10 employees, while about 1% (56) are big ones with over 500 employees..
- Vast SOC investments on the modernization of waterworks are announced by the government (2018).

Sub-sector | Air

- Public demand for resolving fine dust issue and controlling harmful gas emissions has been drastically increasing.
- Due to new regulations, expect demand to grow.

Further opportunities

- Environmental Safety and Health: Noise and Vibration
 - Increasing demand in equipment or facilities to reduce noise due to the law and regulation.
 - Existing incentives and opportunities for SMEs and innovative companies in the early stages of growth.
- Regulations to restore the environment (Soil, Surface Water, and Groundwater) are expected to expand in scope.



ENVIRONMENT & WATER TECHNOLOGIES

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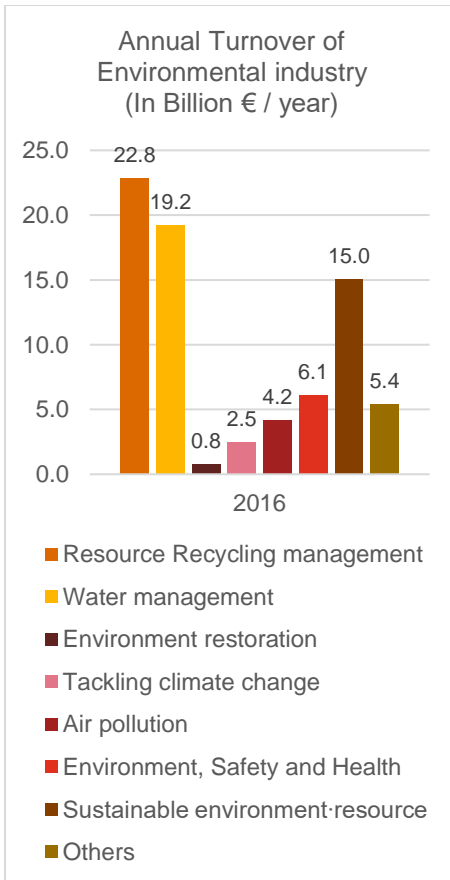
Environment & Water Technologies

Drivers

- The sector has grown 15% annually over the past 8 years
- New market policies in the recent years have enhanced the use of environmental technologies, especially for the manufacturing and construction industries
- High public demand on better air quality, healthier and safer life will lead to the expansion of environment and water industry in coming years.
- High demands on high-tech (energy efficient, higher performance) equipment and O&M of existing facilities.

Barriers

- Waste management currently relies on public contracts, setting barriers are relatively high for new players
- Water supply distribution and sewage treatment facilities are operated by local players, countering new entries in market
- Complicated regulations on permissions and certifications hinder foreign companies from penetrating the markets on their own.



Korea Environment and Water Market map

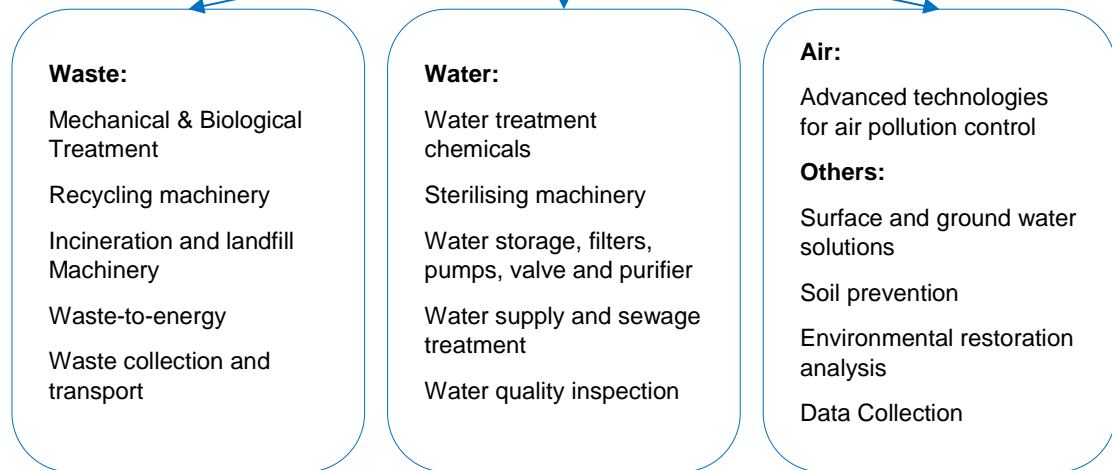
3 key sectors



For 3 key industries



Key products



Sample of key players

