



**UDENRIGSMINISTERIET**

# **U-S-E WATER 2.0 WATER PARTNERSHIP IN CHINA**

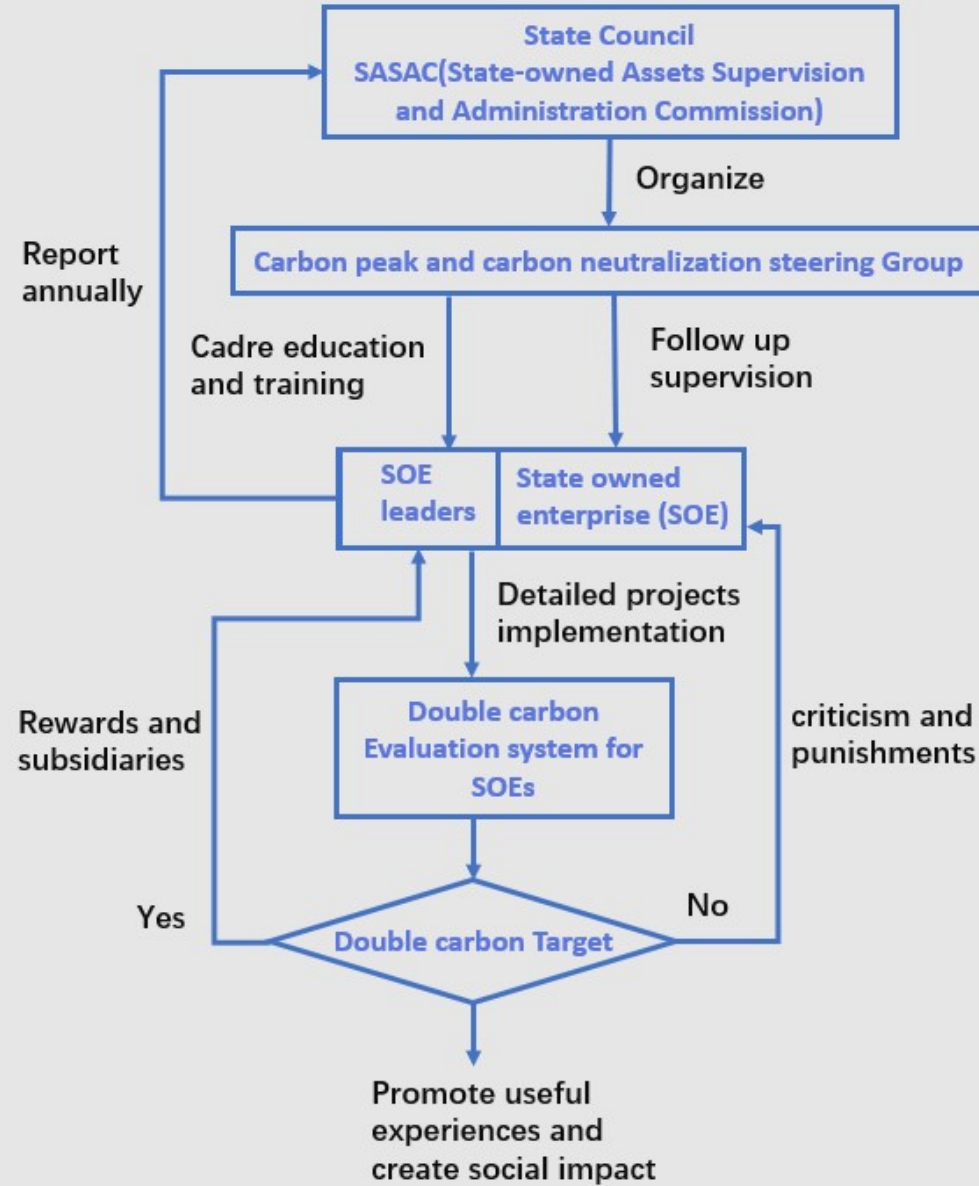
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# 1. CHINA WATER POLICIES AND MARKET POTENTIAL

- With 14 Five Year Plan 2021 in reality first year in Chinas carbon- neutrality policy (which is now influencing all sectors)
- 2020-30: China invests 4.9 trillion USD in Carbon Neutrality (EU will invest 1.2 trillion USD in Europe)
- "Double Carbon Policy" – peak 2030 and neutral before 2060
- "Top Down Supervision System" secures targets
- New conditions will favourize energy- and resourceefficiency

# Top - Down implementation



## 2. ON WATER

- Special Water sector 14. FYP's made by "Water" ministries: MWR, MEE and MoHURD
  
- Stressing the necessity to save water (16%) and improve WWT quality

## 3. ON WATER – THE MARKET SIZE

- Wastewater – 2020-25: 1100 billion DKK to 2500 billion DKK – hereoff technology expected to be 750 billion DKK
- Technologies delivering low CO<sub>2</sub>, low CH<sub>4</sub> and N<sub>2</sub>O
- Danish technologies superior 5-10 years?

## 4. ON WATER – THE POTENTIAL CLIENTS

- The Water Groups (SOE's) – and the Municipal Governments
- 10.113 WWTP's / 58.5 tonnes of wastewater/year
- Biggest operator (Beijing Enterprises Water Group) – **5%**
- 10 biggest operators – **25%**



## Who is leading the market?

### Big water group

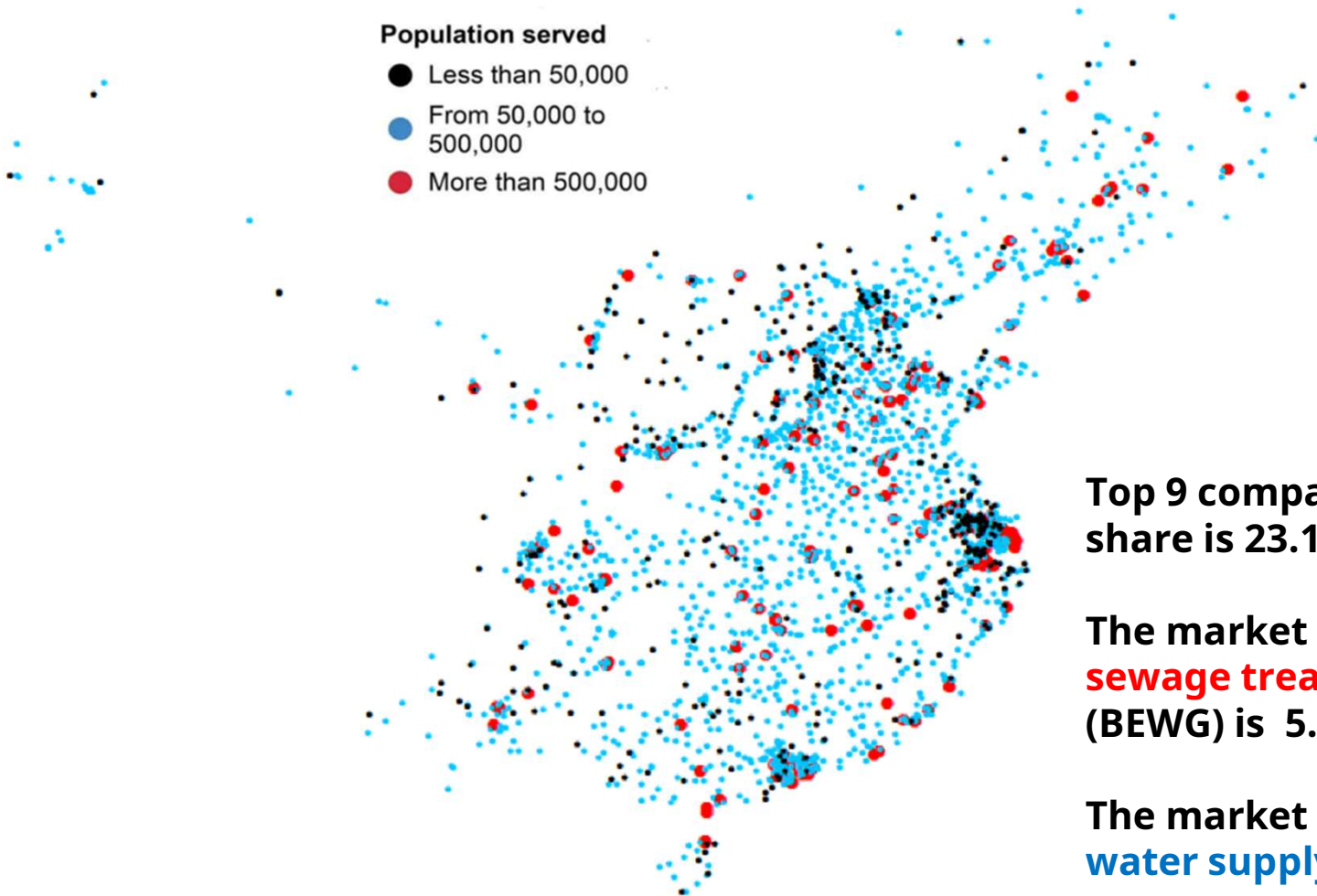
1	Beijing Enterprises Water Group Limited (BEWG)
2	Beijing Capital Eco-environment Protection Group Co.,Ltd
3	General Water of China Co., Ltd
4	Guangdong Holdings Limited
5	Suez Environment
6	Everbright Water
7	Originwater
8	Capital Environmental Protection
9	CECEP Guozhen Environmental Protection Technology Co., Ltd (CECEPGZ)
10	CSD Water Service



## Overall WWTP in China

### Population served

- Less than 50,000
- From 50,000 to 500,000
- More than 500,000



**Top 9 companies total market share is 23.15%.**

**The market share of the largest **sewage treatment** enterprise (BEWG) is 5.5%.**

**The market share of the largest **water supply** enterprise is 3.1%)**



## **5. NEW PARTNERSHIP ON WATER IN CHINA (U-S-E WATER 2.0)**

- Consists of Danish Environment Protection Agency (DEPA), Trade Council China Water & Environment Team (TCC W&E) and Danish Export Association Water China (DEA Water China).
- The Partnership on Water should be seen as a continuation and extension of DEA Water USE Water 1.0 project in China, which was supported by the Danish "Industry Fund".
- USE Water 2.0 is supported by the Danish Ministry of Foreign Affairs and USE Water 2.0 will be executed in 2022-23.
- USE Water 2.0 will address both Water Supply and Waste Water Treatment.

## 6. THE ROLES OF THE PARTNERS

- The primary role of **DEPA** is to influence Chinese authorities (MEE, MWR and MoHURD) on central - and when relevant - on provincial and city levels, so that Danish positive cases on water policies, industry cooperation, support programs could inspire to similar policies in China when relevant.

## 7. THE ROLES OF THE PARTNERS

- The primary role of **TCC W&E** will be to reach out to the big water groups and secure relevant meetings and workshops, which at the end of the day should lead to increased sales for the participating Danish group of companies.
- TCC W&E will further hire technical support by consultants - including a Danish Water utility.
- The whole contribution (hours and consultancy fees) has already been funded by the Danish Ministry of Foreign Affairs.

## 8. THE ROLES OF THE PARTNERS

- The primary role of **DEA - Water China** will continue the work of U-S-E Water 1.0, by gathering the Danish companies in a group, and ensure communication as well as assisting in the day-to-day work.
- Planning and executing activities towards potential upgrade of demo site owners.
- Planning and executing activities towards potential customers and co-operation partners.
- Together, the Trade Council & Danish Export will assist new companies in getting market knowledge and potential distributors.

## 9. THE THE COVID SITUATION IN CHINA

- Covid is still very much a reality in China. So we are still having major lock-downs, travel restrictions and quarantines. We have to be extensively PCR tested and show health codes at every entrance.
- Still there is positive developments: shorter quarantines connected to international flights, more (and cheaper) flights coming.

**THANK YOU**