

Queensland clean technologies exports

Water and wastewater technologies, services and infrastructure export opportunities: **USA**

20-YEAR DRINKING WATER AND CLEAN WATER INFRASTRUCTURE NEEDS BY USA EPA REGION

Source: Alliance for Water Efficiency, 2008



Market trends

- There are significant and growing opportunities for more Queensland exporters to enter clean technologies markets and provide environmental solutions, such as water and wastewater technologies, services and infrastructure.
- the United States of America (USA) is a key market for Queensland's water and wastewater technologies, services and infrastructure exports. The USA accounts for the largest share of the global water utilities and wastewater treatment market.
- The USA is investing heavily in water utilities and wastewater treatment infrastructure over the next few years. According to the USA Environmental Protection Agency, the United States' 53 000 community water systems and 21 400 not-for-profit, non-community water systems will need an estimated investment of US\$277B by 2023 to allow for needed maintenance and upgrades.
- Many parts of the USA have suffered severe water shortages in recent years, particularly California and the southwest states. This is starting to create a culture shift towards greater water efficiency and management of water resources.
- The *American Recovery and Reinvestment Act*, signed into law by USA President Obama in February 2009, will provide more than US\$6B in needed funding for water and wastewater infrastructure in the USA.
- In response to the California water crisis, the California State Government passed a US\$40B package to reform and rebuild California's water system in November 2009.¹
- Several other states are also urgently seeking water solutions, including conservation, demand management and technology alternatives.
- To accomplish their water conservation projects, USA state and local governments are investigating the benefits of joint venture relationships and partnerships with outside companies.
- Population growth, stringent federal wastewater discharge regulations, and increasing demand for fresh water are also driving water recycling and reuse in the USA. While this is placing significant strain on existing resources, it is also likely to strengthen demand for water recycling and reuse systems.
- The acceptance of water recycling and reuse is also increasing because major users (particularly industrial users and municipalities) are focusing on the economic and environmental benefits that water recycling and reuse can bring.

Opportunities for Queensland exporters

- These trends suggest significant and growing market opportunities for Queensland water and wastewater technologies, services and infrastructure.
- Trade Queensland has identified a considerable base of existing and potential Queensland water and wastewater technologies and services exporters. This includes Queensland companies of various sizes and areas of expertise providing services and products in the collection, conveyance, treatment and/or monitoring/analysis of water and wastewater for multiple purposes and end users.
- During the G'day USA Water Sustainability and Management Forum in January 2010, Trade Queensland helped showcase the State's water expertise, highlighting Queensland's drought response strategy and its associated projects to leading USA water authorities.
- Opportunities in the USA for Queensland water and wastewater technologies, services and infrastructure exporters include:
 - › water sensitive urban design
 - › water governance and water consulting (including services to develop water conservation policy plans)
 - › construction of new water recycling and desalination plants
 - › management of regional water resources that reduce dependence on imported water
 - › groundwater management including protection, monitoring and remediation
 - › urban and agricultural water conservation and water efficiency technology
 - › pipe and pump installation and rehabilitation to prevent contamination
 - › water analysis and instruments (such as water saving household devices)
 - › municipal and household water purification systems
 - › total water cycle management.²

Market challenges

- The USA water and wastewater technologies, services and infrastructure market can be highly competitive and market access can prove difficult.
- The USA water utilities industry is dominated by large international conglomerates who can use their reputations to secure supply contracts and large economies of scale engendered by the provision of services to many regions to reduce costs. The presence of such companies within the industry reduces the potential of newcomers to enter the industry.
- Queensland water and wastewater technologies, services and infrastructure firms that are considering exporting to the USA are advised to:
 - › research the opportunities and their potential competition in the USA marketplace
 - › identify niche market opportunities for their water and/or wastewater technologies and services
 - › recognise that new technology not present in the USA can encounter initial resistance and delayed uptake
 - › can clearly demonstrate the competitive advantages and innovations of their water and wastewater technologies and services in the USA marketplace
 - › consider connecting with USA projects and partnering with USA firms as part of their strategy. This would include working with Australian partners that have a USA presence.

For more information

For more information about global water and wastewater technologies, services and infrastructure market trends and opportunities for Queensland exporters, please contact Trade Strategy on +61 7 3224 4230 or tradestrategy@trade.qld.gov.au. Interested companies can also visit export.qld.gov.au.

Other issues in series

Issue 2 – Water and wastewater technologies, services and infrastructure export opportunities: China

Issue 3 – Water and wastewater technologies, services and infrastructure export opportunities: India

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¹ *Governor Signs Legislative Bills to Rebuild California's Water System*, Office of the Governor, www.gov.ca.gov, 6 November 2009.

² This is based on findings by Trade Queensland's Americas Office as well as separate research by the Australian Trade Commission and others on global opportunities for Australia's water and wastewater technologies and services.

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