

adapting technologies, engineering, and attractive financial packages. Particular strengths can be found in municipal water and wastewater treatment, monitoring, and testing; air and marine pollution control; landfill gas systems; and bio-remediation of contaminated land. Weaknesses or gaps exist in solid waste management, incineration, desulphurization, and instrumentation. Suppliers do not normally see themselves as part of the environmental sector but as part of some more traditional sector. There are close links between manufacturers, consultants, and the water/sewage companies. Many companies are world leaders in their specialities. This is particularly true of the water PLCs ("public limited-liability companies"), which were created after the privatization of the water industry.

The air pollution control market is sluggish due to variable enforcement and planned closures of major coal-fired power stations. Opportunities exist for flue-gas clean-up technology for incinerators. The wastewater treatment market is doing well, due to substantial investment by water PLCs. This investment is expected to continue. The waste management market is beginning to turn upward, and the market for land remediation is emerging; while this market is volatile, it is growing steadily, with private sector clean-up playing an increasingly important role in this market, driven in part by the banks' desire to have confidence in a company's stated asset value. The market for energy management declined on the consumer side because of the recession, but it has grown throughout on the industrial side as companies focus on cost reduction. The market for monitoring equipment and instrumentation is small and growing, but held back by a lax enforcement regime.

The wastewater sector, in particular, is one where legislation has led to market opportunities. Sewerage undertakers have been obliged to install primary and secondary treatment plants on existing outfalls. Many existing sewage works are old and overloaded, and they are being rationalized at large modern facilities.

Increased standards of sewage treatment will generate opportunities for sludge incineration technology. With the option of sea disposal coming to an end by 1998, companies are facing serious problems in disposing of sludge.

Disposal by incineration is predicted to become a major route. The main alternative to sea dumping is land spreading, which is predicted to account for 66 percent of U.K. sewage sludge by 2005. Incineration of sludge with energy recovery is predicted to increase and will account for about 28 percent of sludge by 2005, according to the University of Leeds.

Almost certainly, any Canadian company wishing to enter the U.K. market must establish some sort of local presence. Technology licensing and strategic alliances are obvious solutions for most companies. Alliances with the PLCs can also offer opportunities to introduce Canadian technologies into the world market.

The Action Plan

The Canadian High Commission in London views the environmental sector as a priority for development. Its current activities in this area include:

- identification of leading-edge Canadian technologies that can form the basis for strategic alliances with U.K. companies;
- creation of linkages between Canadian and U.K. environmental service firms – principally consultants – by locating those with niche expertise; and
- monitoring developments in environmental law that may lead to opportunities, and alerting Canadian industry to opportunities.

The High Commission will coordinate Canadian participation in IWEX in London in November 1997. This international exhibition focuses on wastewater technology, equipment, and services. For further information:

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