

## 4. Environment

### A. Opportunities

The French market for environmental products and services holds considerable potential. Although there was a slowdown in growth in 1995, the environmental industry still had sales of \$34 billion (an increase of 2%). In the same year, investment in environmental protection accounted for 20% of total investment in the industry (an increase of 9%).

The industry varies, however, by area of activity. Waste water and industrial waste account for the lion's share of national spending on environmental protection, which totalled \$26 billion in 1995. For many years, these sectors have been dominated by large companies specializing in environment and public works: Lyonnaise des Eaux-Dumez, Compagnie Générale des Eaux and SAUR, a subsidiary of Bouygues. These large French companies are the only European businesses in the sector with control over the entire range of

design, construction and operation, and with the ability to promote the package internationally. Small businesses, often equipment manufacturers, are technologically and commercially aggressive and are therefore able to play a role on the French and foreign markets. They frequently choose a single-product or single-sector niche strategy and can supply materials to the foreign counterparts of the three large companies.

The rise of environmental concerns in recent years has affected industries the most. Regulations have been tightened and extended, the public and consumers are increasingly concerned about environmental protection, and competition is growing. All of these factors have led many companies, especially the largest ones, to adopt environmental policies to confront the sometimes considerable strategic challenges facing them.

Environmental protection therefore opens a broad new industrial sector to development, where innovative technologies will find new applications with wide-ranging possibilities, because manufacturing processes as well as products will have to be redesigned. Canadian companies can take advantage of many business opportunities in the four major environmental sectors (waste, water, air and noise), because these are the areas in which Canada has acquired a solid reputation for technologies and processes.

#### **Promising Sectors**

- **Waste management (industrial waste treatment, restoration of contaminated sites, soil decontamination);**
- **water management (urban purification and treatment, pollution controls);**
- **air pollution monitoring and controls; and**
- **France's growing problem of noise pollution (acoustical engineering studies, improved construction methods and materials)**

---

**The market for environmental products and services holds considerable potential. Although there was a slowdown in growth in 1995, the environmental industry still had sales of \$34 billion (an increase of 2%).**

