



Israel - the " BACK TO THE FUTURE" opportunity for the Global Water Arena

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Water - Growing Quantity and Quality Demands & Decreasing supply

- The world population is expected to increase by almost 400% in one century
- The Urbanization Revolution
 - 2007 was the first year in history in which more people lived in cities than in rural areas
- Higher standard of living leads to growing quality demands
- Consequences of climate change:
Drought and lack of fresh drinking water
- The aging water infrastructure can't cope with the growing quantity and quality needs



The Challenge

The challenge of supplying fresh water to the population is constantly increasing



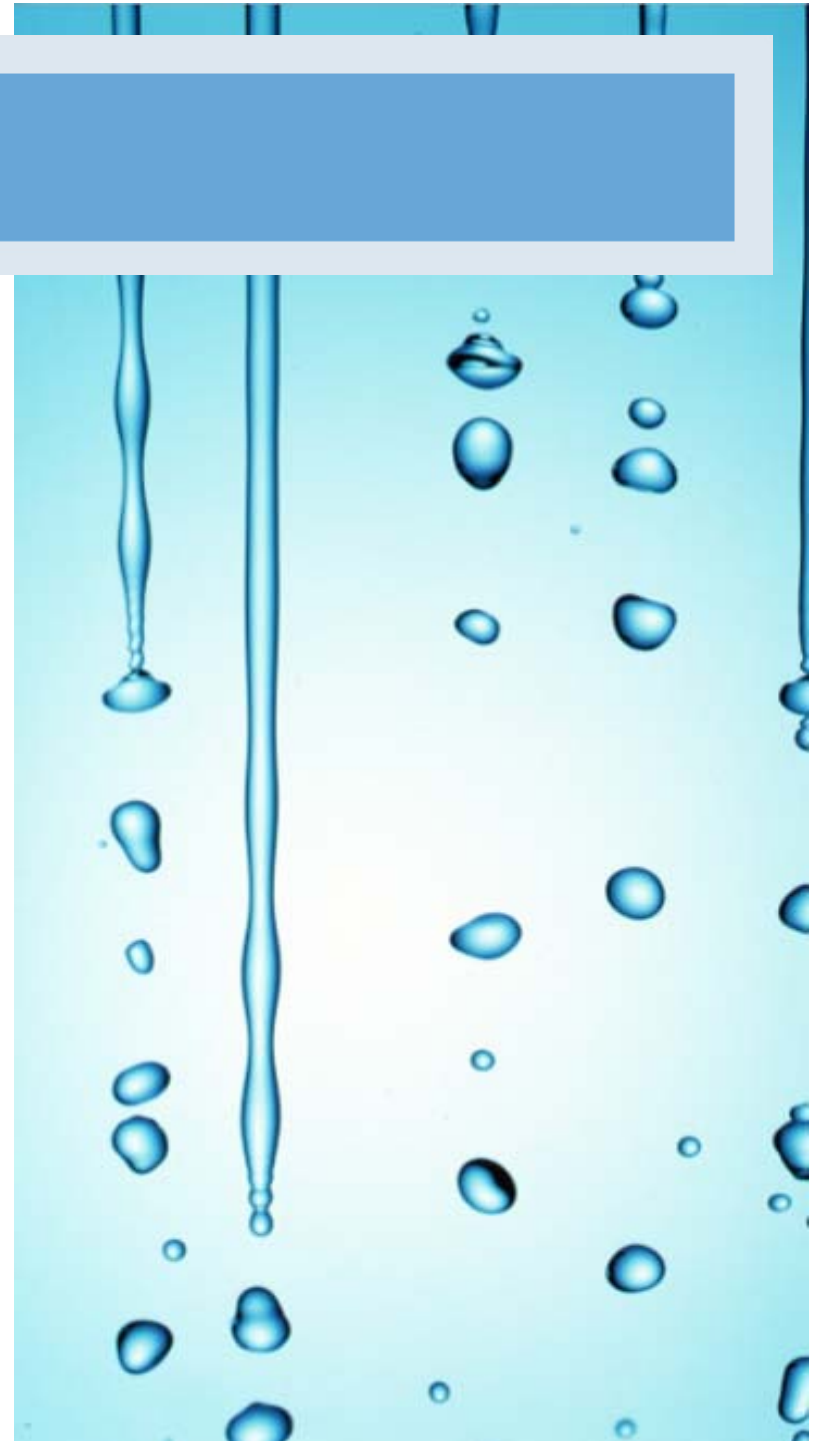
Do we want to be part of the problem?

Or, do we want to be
part of the solution?



The Solution

- The Key to Supplying the Increasing Demand is (like in the IT arena) **Technological Innovation.**
- Increasing the Efficiency of the system :
 - Irrigation
 - Distribution and Maintenance (including NRW)
 - Interactive network solutions
 - Desalination
 - Water reuse



Israel - a "BACK TO THE FUTURE" water solutions hub



Continues Need

Water has always been a survival issue. Israel's water industry has already achieved critical mass



Climate

With the full range of climactic conditions, Israel is an excellent beta site for all types of water technology innovations

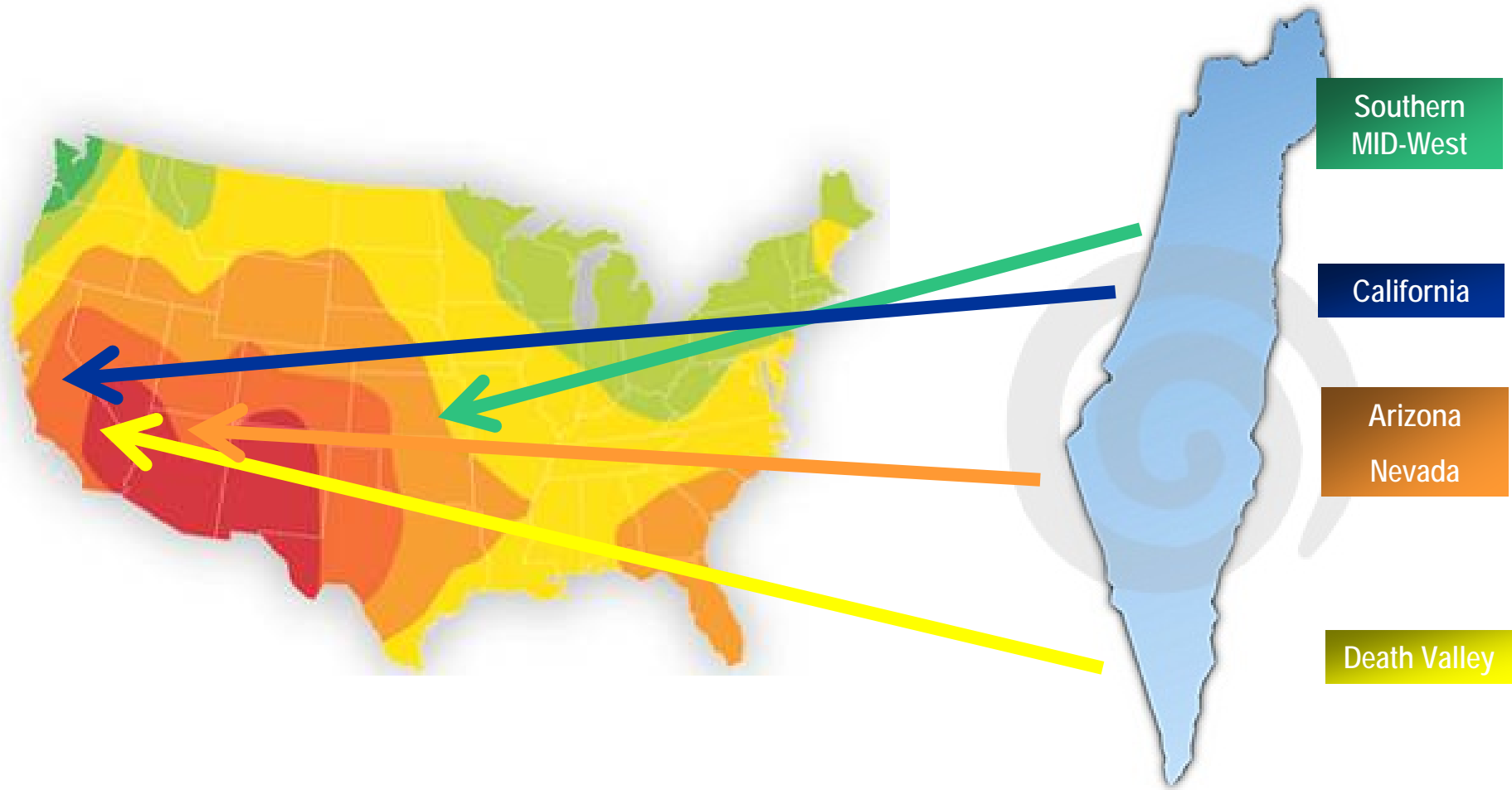


Entrepreneurial Culture

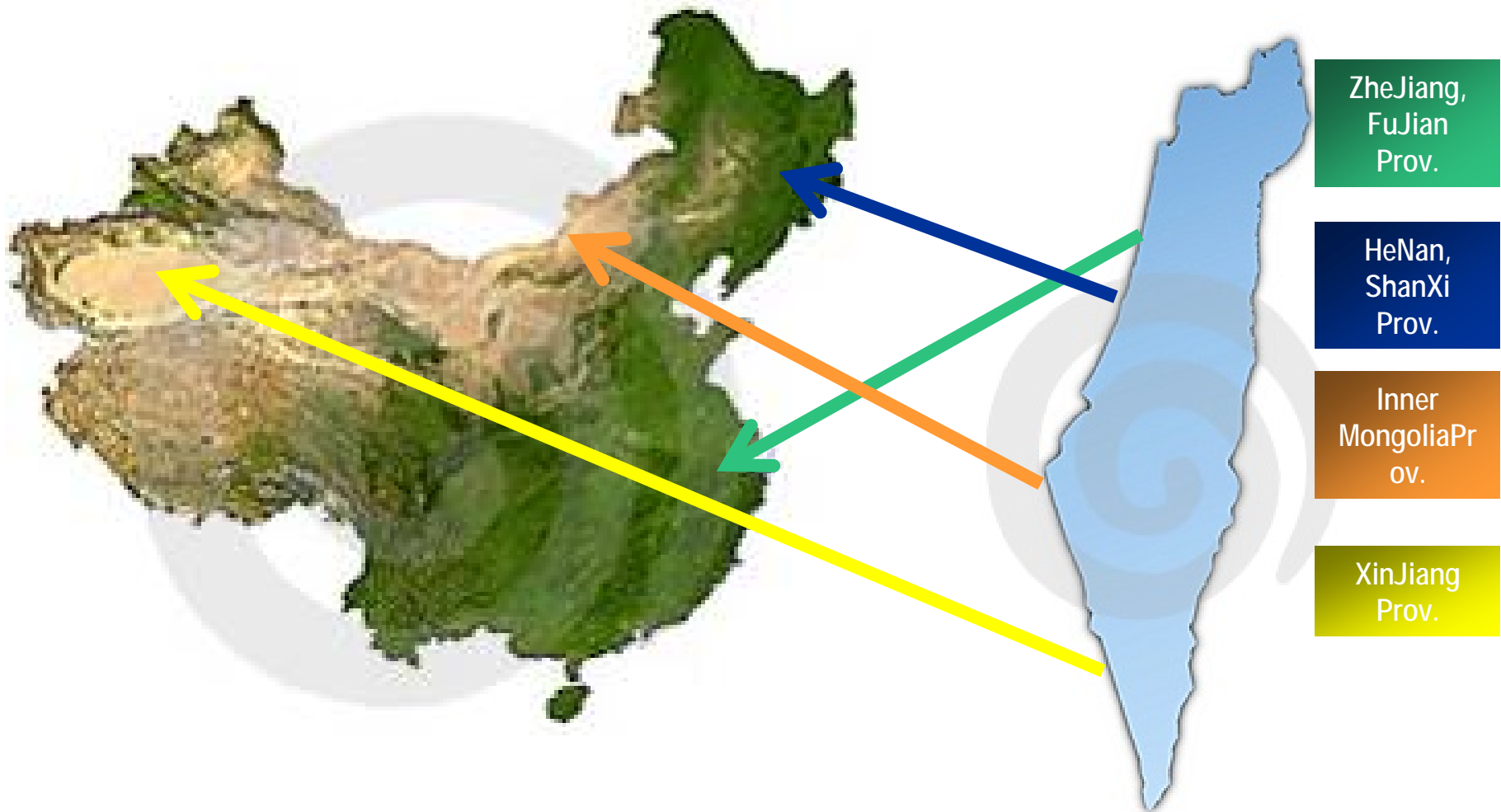
Hi-tech is a way of life in Israel, and startup eco-systems are well developed.



Comparison between US & Israeli climates



Comparison between Chinese & Israeli climates



Israel: In the forefront of the technological water innovation market

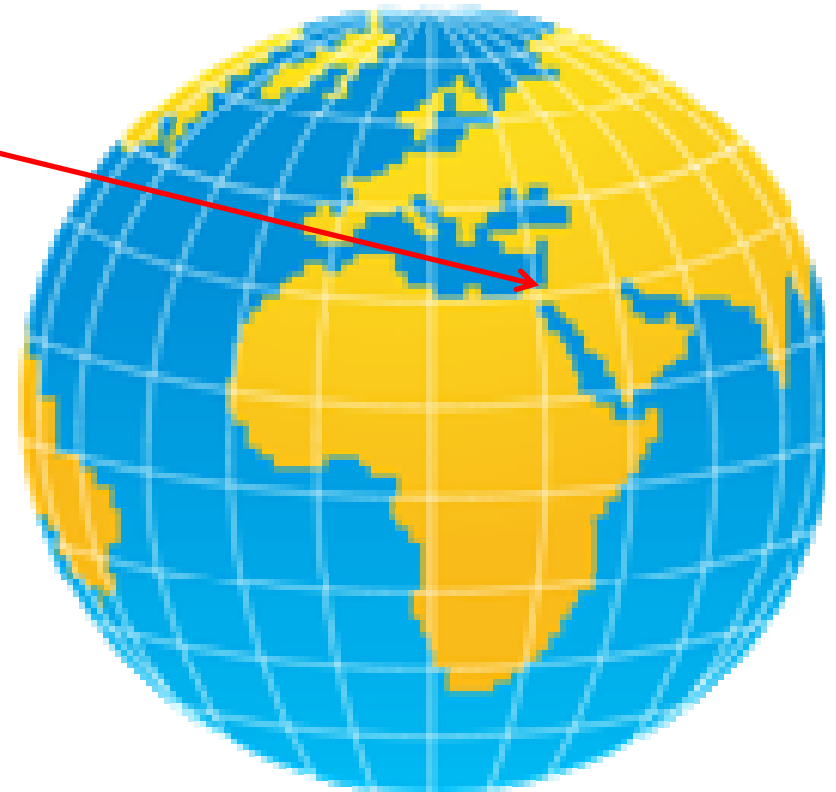
- ✓ Water efficiency management
- ✓ Water reuse
- ✓ Desalination
- ✓ Irrigation



The Global Water Market is huge for any single player

- Israel's Population : 7M people
- World Population : 7B people
- Israel Total area : 20,770 sq km
- World Total area : 148,354,000 sq km

Partnership is essential for Israel in order to successfully leverage its capabilities.



WATEC 2007 - 2011- The Arena for Creating Partnerships

- WATEC 2009 event attended by more than a 150 foreign delegations and 25,000 visitors from 5 continents.
- WATEC 2009 featured an international problem-solving forum for water, energy, and environmental technology issues
- WATEC 2009 was 35% larger than WATEC 2007
- We plan that WATEC 2011 will be even better!





The “Water Innovation Catch”

Sufficient Know How & Technologies Exist in the Water Arena (IWA Methodology, Israeli Technologies etc)



So...

- ❖ Why is the world still coping with water shortage challenges?
- ❖ Is there any global mechanism to overcome the Diversification, Conservatism & Localization of the industry?



The “Catch”

Although technological innovation is the solution for the growing water market... The water market is **extremely conservative**

- There are only a few significant technological Innovation implementation examples that were successfully commercialized in the water arena in the last decades (for example - AMR / MBR technologies)
- Water companies are risk-averse: prefer not to be the first to implement new technologies



How to overcome the “ i 2 i ” challenge?

❖ Innovation To Implementation

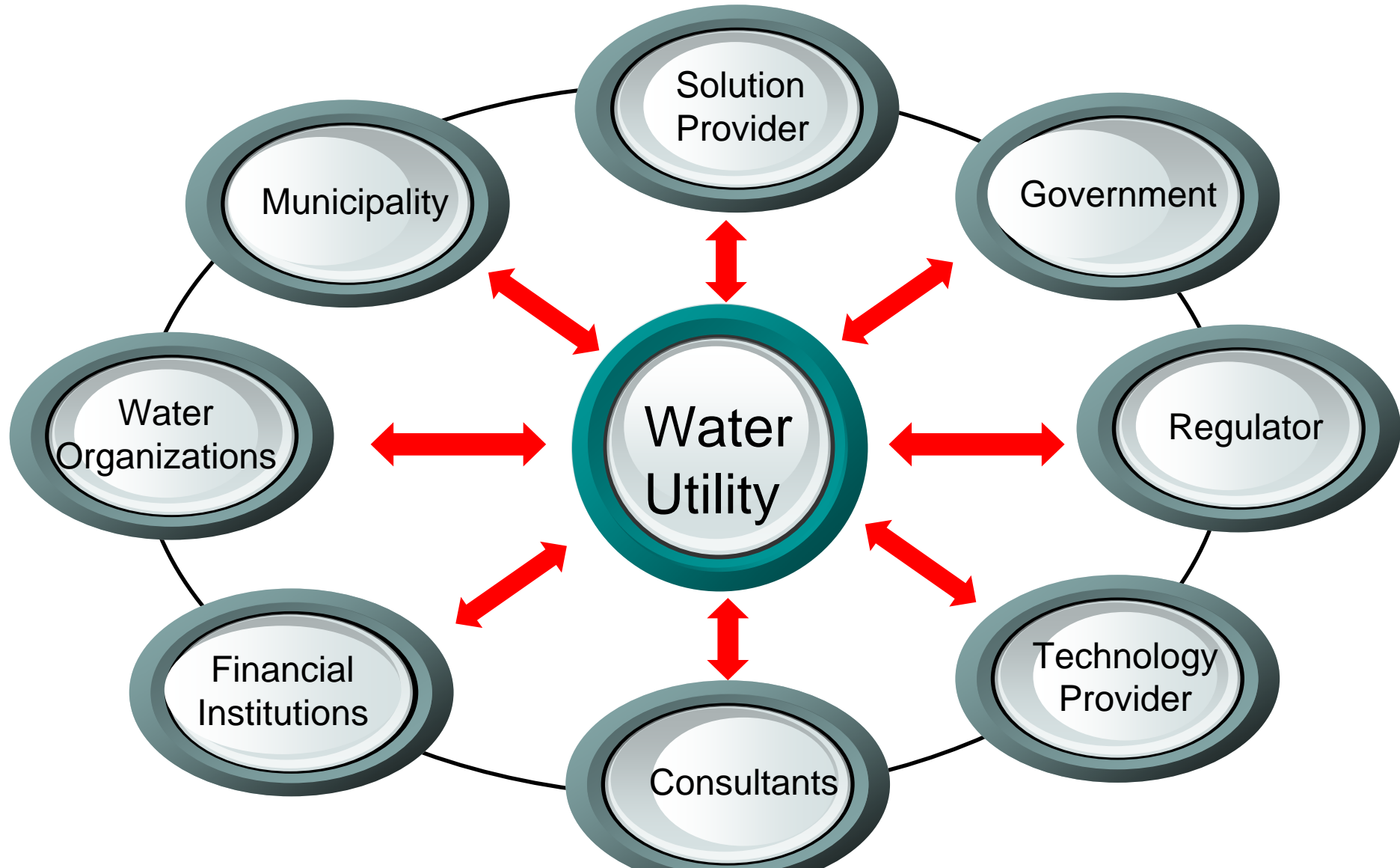
“ i 2 i ”

is one of the global water arena's most significant challenges, as it can improve the situation for billions.

- ❖ Partnering in this effort can create attractive business opportunities to all involved.



Dealing with the water arena, involves many players



Water is not Rocket Science...

...but it is complex



And it differs from one place to another

Success in
Israel does
not ensure
success in
North
America or
Asia...



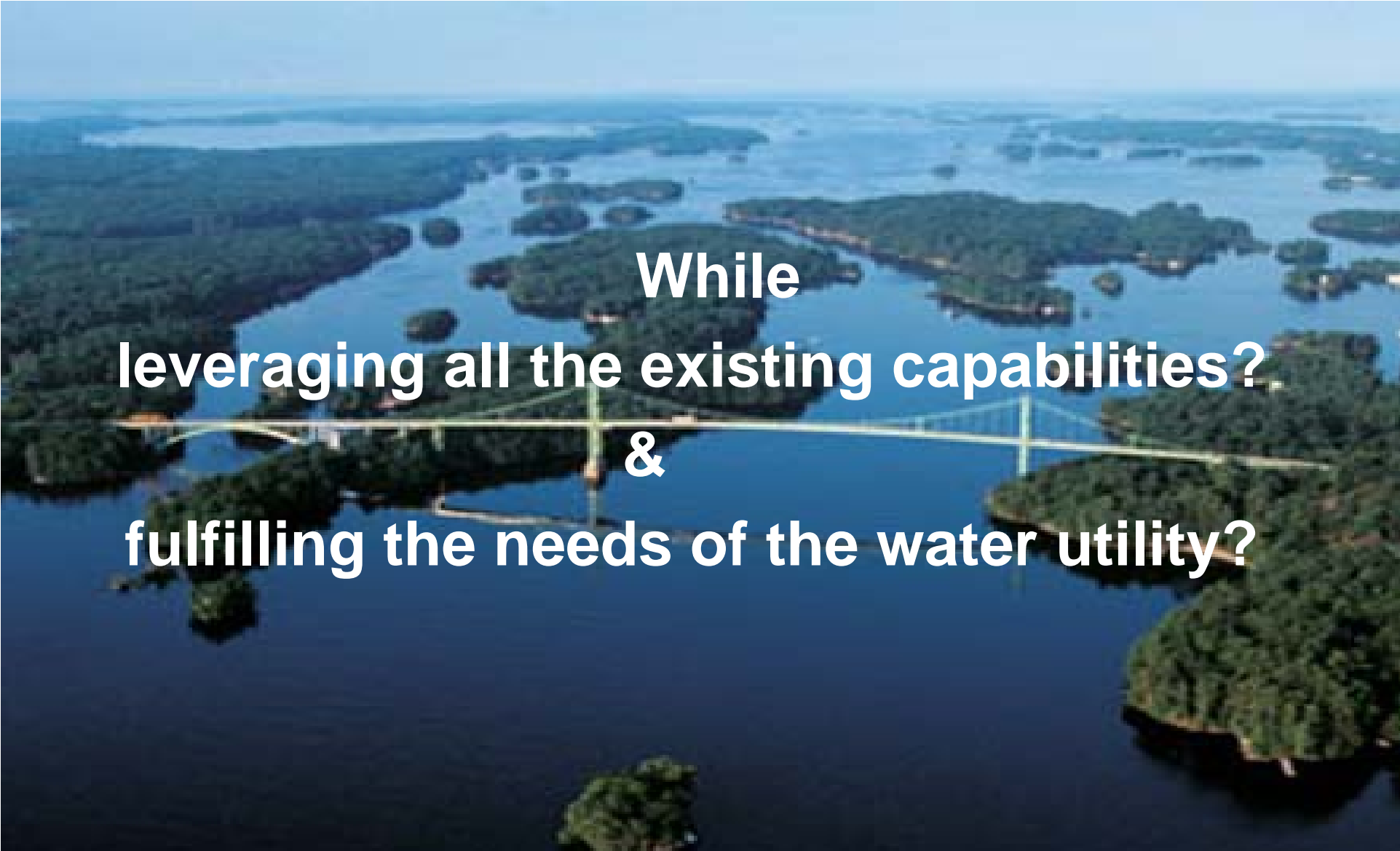


Proposed Solutions To The “i2i” Challenges Through Partnerships

It takes a Joint Effort to Address the Complexity



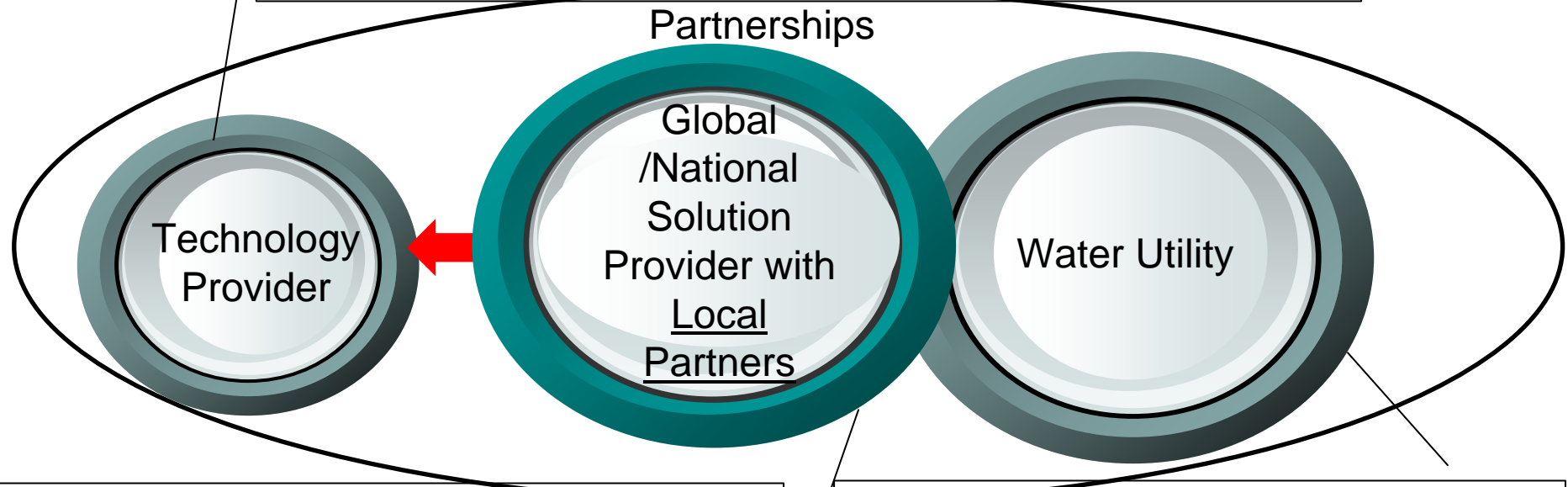
**Who can assist in bridging between all the
key stakeholders?**

An aerial photograph of a large reservoir with numerous islands and a bridge crossing a wide section of the water. The water is a deep blue, and the surrounding land is covered in dense green forest. The bridge is a long, thin structure with a central support. The text is overlaid on the image in white, bold font.

**While
leveraging all the existing capabilities?
&
fulfilling the needs of the water utility?**

Creating Partnership is Essential

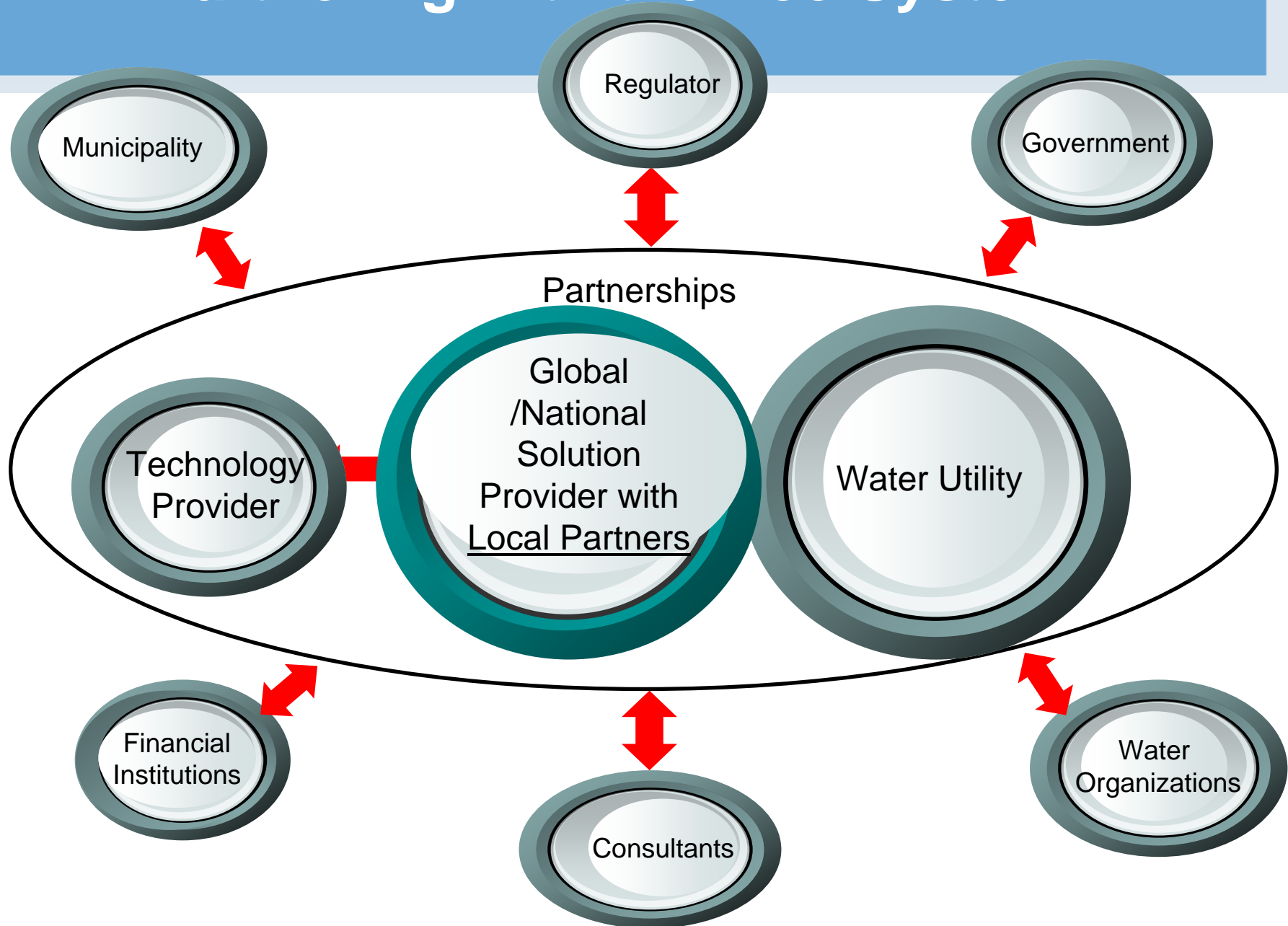
- Uses the most innovative technologies available
- Creates synergies between various products / technologies
- Tailors a solutions per customer needs



- Provides global experience & local know-how and connections
- Bridges the innovation gap
- Overcomes culture gap

- Owns the Infrastructure & provides long term commitment to maintains it
- Responsible for end user service level

Partnering with the Eco System



Partnership is the preferred way to overcome successfully the “i2i” challenges

Partnership will

- Complement continuous Innovative Water Solutions by providing
 - Know How in the local markets
 - Credibility
 - Local experience
 - Financial leverage
- It is the definition of a “Win-Win Solutions” between the Global Water Arena - The Partner.



Partnership Basic Principles

- ❖ Self Confidence – There are no “ Free Meals” – You must bring unique & continuous value
- ❖ Humbleness – Do not force your partner to do it your way, take the culture gap into consideration - listen, influence, implement
- ❖ Awareness - No one can do it alone, everyone needs to be aware to the essential necessity of creating partnership

What can be done in order to enhance partnership opportunities ?

- ❖ Identifying leading institutions/ companies/ people / government officials within the region/ state with high commitment to the issue
- ❖ Collaboration agreements → Collaboration programs
- ❖ Building and promoting the partnership concept: From terminology to practical activities
- ❖ Expanding Israel's positioning from an "Innovation Hub" to a "Partnership Hub"



Thank you
