



Innovative water resource offers promising investment opportunities

From Wastewater to Pristine Water: Closing the Loop

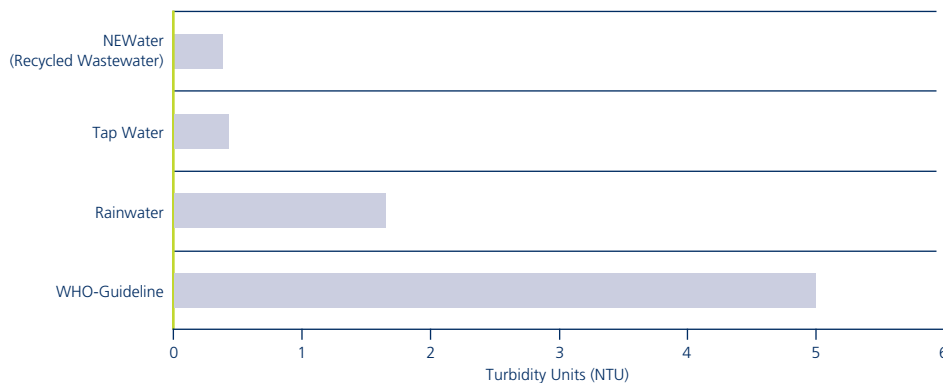


FIGURE: TURBIDITY (CLOUDINESS) OF VARIOUS WATERS AND MAXIMAL RECOMMENDED VALUE (WHO GUIDELINE)

Source: Singaporean Public Utility Board and SAM

As many regions of the world are drying up, water scarcity will be on the agenda at the forthcoming UN Climate Change Conference in Copenhagen. Against this backdrop, recycled wastewater is becoming a major alternative source of water. The recycling of wastewater was introduced in the Namibian capital of Windhoek as early as 1968. Today, the concept has spread globally, and with annual growth approaching 20%, the water reuse market offers attractive investment opportunities.

Recycled wastewater can be used for various applications such as irrigation, industrial processes, replenishment of groundwater and water reservoirs, and drinking water production. While the technology is readily available today and the treatment cost is lower than for water desalination, the recycling of wastewater for direct human consumption still represents a minute fraction of the total reused water produced, mostly hindered by public perception.

Singapore has been exemplary in embracing the challenge of water scarcity. Its historical reliance on water from Malaysia

has forced it to come up with alternative sources of water. As a result of significant state-backed investment, Singapore has become one of the world's hubs for water technology development. Moreover, it is showcasing a futuristic water cycle management approach where wastewater is collected centrally, recycled by means of advanced water treatment technologies and reused for industrial applications. NEWater – the name given by the Singaporean Public Utilities Board (PUB) to its fully recycled wastewater – is pure enough to be drunk right out of the tap.

“Understanding underlying macro trends is critical to forecast technology development. Water reuse is one of the most dynamic and exciting developments in the water industry. Associated companies represent promising investment opportunities for investors.”



Marc-Olivier Buffle
Analyst

Important legal information: The details given on this page do not constitute an offer. They are given for information purposes only. No liability is assumed for the correctness and accuracy of the details given. Copyright © 2009 SAM – all rights reserved.