

Israel rides high on water market

Rajiv Tikoo | Published: May 22 2011, 20:16 IST

SUMMARY

If wars erupt over water in future as feared, then Israel is arguably going to be the best prepared country in the world. Since its independence in 1948, Israel has emerged as a global leader in water management, desalination, water treatment and reclamation, water safety and security, agricultural water usage, particularly drip irrigation, and water IT and communications.

If wars erupt over water in future as feared, then Israel is arguably going to be the best prepared country in the world. Since its independence in 1948, Israel has emerged as a global leader in water management, desalination, water treatment and reclamation, water safety and security, agricultural water usage, particularly drip irrigation, and water IT and communications.

The figures give an insight into the facts. Israel's water industry, which was worth \$1.4 billion in 2008, is projected to touch \$2.5 billion this year. This despite that Israel's total water consumption has stayed constant since 1964. While it's life as usual with growing population, it's not business as usual. Better water management and cuttingedge innovation are at play.

Israel recycles 70% of its waste water, which is thrice the quantity of its nearest competitor Spain. Desalination plants supplying 500 million m³ of water per year will be catering to 35% of the freshwater needs of the country by 2013. A pioneer in high-tech drip irrigation, \$500-million Netafim is leading the smart irrigation technology revolution not only at home but also abroad. The technology is important, considering that 70% of the world's water supply goes into agriculture.

It's all happening primarily because water has been identified as a national priority and is supported by the government as well as the private sector. And it makes sound business sense. For every \$1 invested in sanitation or drinking water, it's estimated that the economic development return is worth \$3-4.

As a logical extension, Israel is also tapping the global water market, which is estimated to be worth \$500 billion annually and is growing at 7-8%. Besides, additional business possibilities arise as the water challenges get bigger by the day. For example, 20% of the world population is water stressed

today, and the figure is expected to go up to 50% over the next 50 years. Though 70% of the earth's surface holds water, only 1% is fit for human use. Megacities alone lose 25% water. The list of challenges and thereof opportunities is endless.

It's a little wonder then that the National Program for Promoting Water Technologies, which was launched in 2006, promotes the industry internationally by investing in R&D, deploying technology in local and global marketplaces, and linking domestic companies with foreign companies.

Even the theme of the upcoming WATEC 2011 to be held in November in Tel Aviv is I2I or Innovation to Implementation. WATEC is the biggest water industry event in the world. It also focuses on renewable energy and environmental control. While the last WATEC attracted participation from 94 countries, WATEC 2011 is expected to better that record. Booky Oren, chairman, Watec 2011 says, "The aim is to accelerate the implementation of proven solutions to meet present and future challenges."

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Making a mark in India

Israeli companies have already made a mark in the water and waste management market in India. They are present in areas ranging from desalination to waste treatment to smart irrigation. IDE Technologies has set up 22 thermal desalination facilities in India for use in nuclear power generation, oil refineries and industrial plants, according to Fredi Lokiec, executive vicepresident, IDE Technologies.

While Amiad Filtration Systems is working through its subsidiary Amiad India to offer ecofriendly filtration solutions for industrial, municipal and agriculture, Arrow Ecology, which is into biological treatment of municipal solid waste, is currently talking to potential partners in Delhi and Gujarat.

AYALA Water & Ecology is using its new phytotechnology concept, called Natural Biological System (NBS), to treat water, soil and air pollution. Tamar Bodek, head of R&D at Ayala, says, "We are involved in several projects in India, particularly in and around Hyderabad. Based on the NBS technology, these projects focus on a holistic approach of sustainable, onsite treatment, using minimal fuel based energy and human maintenance."

Smart drip irrigation leader Netafim's subsidiary Netafim India has two manufacturing plants in Vadodara and Chennai. Besides, it has ongoing microirrigation projects in Gujarat, Andhra, Tamil Nadu and Maharashtra. It has a network of 16 offices and 100 dealers in the country. Netafim CEO Igal Aisenberg says, "Water is on top of the agenda. From speaking to not speaking about water is not good politics any more." And it makes good business sense, too.

Saying that all the major Israeli companies from all the sectors, including in the water and waste management space, are active in India, Mouneer Agbariya, economic counsellor, Embassy of Israel in India, adds, "The business potential is as big as the needs of India."

Though the figures for the water and waste management space are not available, the overall bilateral trade between the two countries for 2010 was \$ 4.78 billion (Israeli exports: \$2.88 billion and Indian exports \$1.90 billion). And it's growing by the day.