

ENVIRONMENTAL BUSINESS INTERNATIONAL INC.

"Strategic Information for a Changing Industry"

Global Environmental Industry Overview

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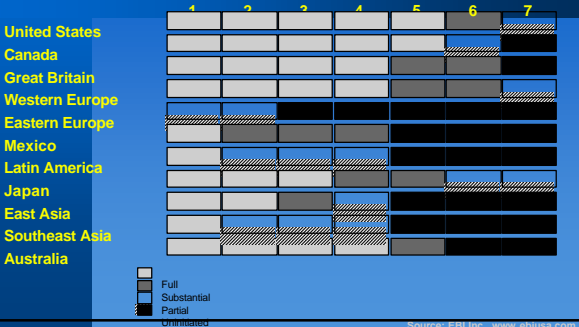
Globalization of the Environmental Industry

Seven Stages of Market Evolution in a Nation

- 1) Public Awareness and Pressure
- 2) Government Policy Stated
- 3) Legislation Enacted
- 4) Regulations Promulgated and Agency Empowered
- 5) Enforcement Creates Market for Environmental Firms *Pollution Control, Cleanup & Waste Management*
- 6) Proactive Effort to Circumvent Regulation & Liability *Pollution Prevention*
- 7) Internalization and Integration of Environmental Efforts *Sustainable Development*

Source: FBI Inc., www.ebiusa.com

Phases of Environmental Industry Evolution



Source: EBI Inc., www.ebiusa.com

Relative Competitiveness of Environmental Industries

	US	Germ	Japan	F&UK	Dev'g	Weight
Equipment						
Water Equipment & Chemicals	G	G	GE	GE	MP	3
Air Pollution Control	OG	E	E	O	MP	3
Instruments & Info. Systems	E	G	G	O	P	3
Waste Mgmt Equipment	G	GE	OG	O	OM	2
Process & Prevention Tech.	P	P	M	P	P	1
Services						
Solid Waste Management	G	OG	OM	EG	MP	3
Hazardous Waste Mgmt	G	O	O	OG	P	2
Consulting & Engineering	GE	OG	M	OG	MP	3
Remediation/Industrial Svcs.	G	O	M	OM	P	2
Analytical Services	G	O	O	O	MP	1
Water Treatment Works	MP	M	MP	GE	MP	4
Resources						
Water Utilities	MP	MP	P	GE	MP	3
Resource Recovery	O	OG	O	O	MP	1
Clean Energy Systems & Power	OG	OG	OG	OG	P	2
Rating	111	105	93	111	47	

Source: EBI Inc., www.ebiusa.com

EBJ's Top 70 Environmental Companies in the World, 2001

Company	Country	Segment	Env'l Revs \$mil 01
1 Vivendi Environnement SA	France	Water/SW/HW/WE&C	17,230
2 Suez (Ondeo, Sita)	France	Water/WE&C/SW	13,970
3 Waste Management	U.S.A.	Solid Waste/WME	11,320
4 Allied Waste	U.S.A.	Solid Waste	5,470
5 RW E Entsorgung AG	Germany	Solid Waste/C&E	4,790
6 Bechtel Group Inc.	U.S.A.	EC/Remed	2,640
7 Severn Trent	U.K.	Water/WW/C&E	2,380
8 Ebara Corp	Japan	W/WW/APC/SW/RIS	2,300
9 Republic Services	U.S.A.	Solid Waste	2,260
10 Mitsubishi Heavy Industries	Japan	Incin/APC/Water Eqt	2,160
Top 71 Total			64,520 12%
Rest of Companies			478,480 88%
Total			543,000 100%

Source: EBI Inc., www.ebiusa.com

What Does It Take to Develop a Competitive Environmental Industry?

1. A strong and consistent domestic environmental market to foster and hone competitiveness in environmental companies: consistent policies and public spending;
2. An educated and technically competent workforce
3. A business climate conducive to small companies so entrepreneurs can be rewarded for investing their time and money
4. For export, a targeted approach by companies and/or government involving a long-term commitment and some 'market development' in selected nations
5. Some effort in private/public technology development programs; some coordinated efforts with government and private sector for export (business exchanges, trade missions, partnerships with developed nation programs)

Source: EBI Inc., www.ebiusa.com