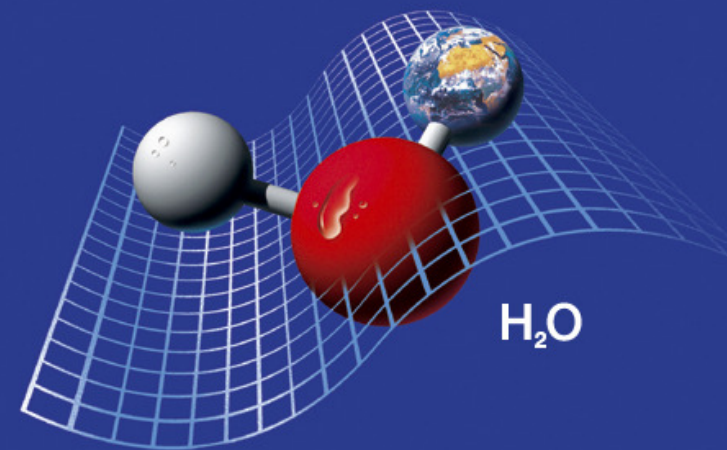


Get the Water Sector Working for All – Financing the Future



Dieter Ernst

CEO Berlinwasser International AG

Málaga, February 2008

“

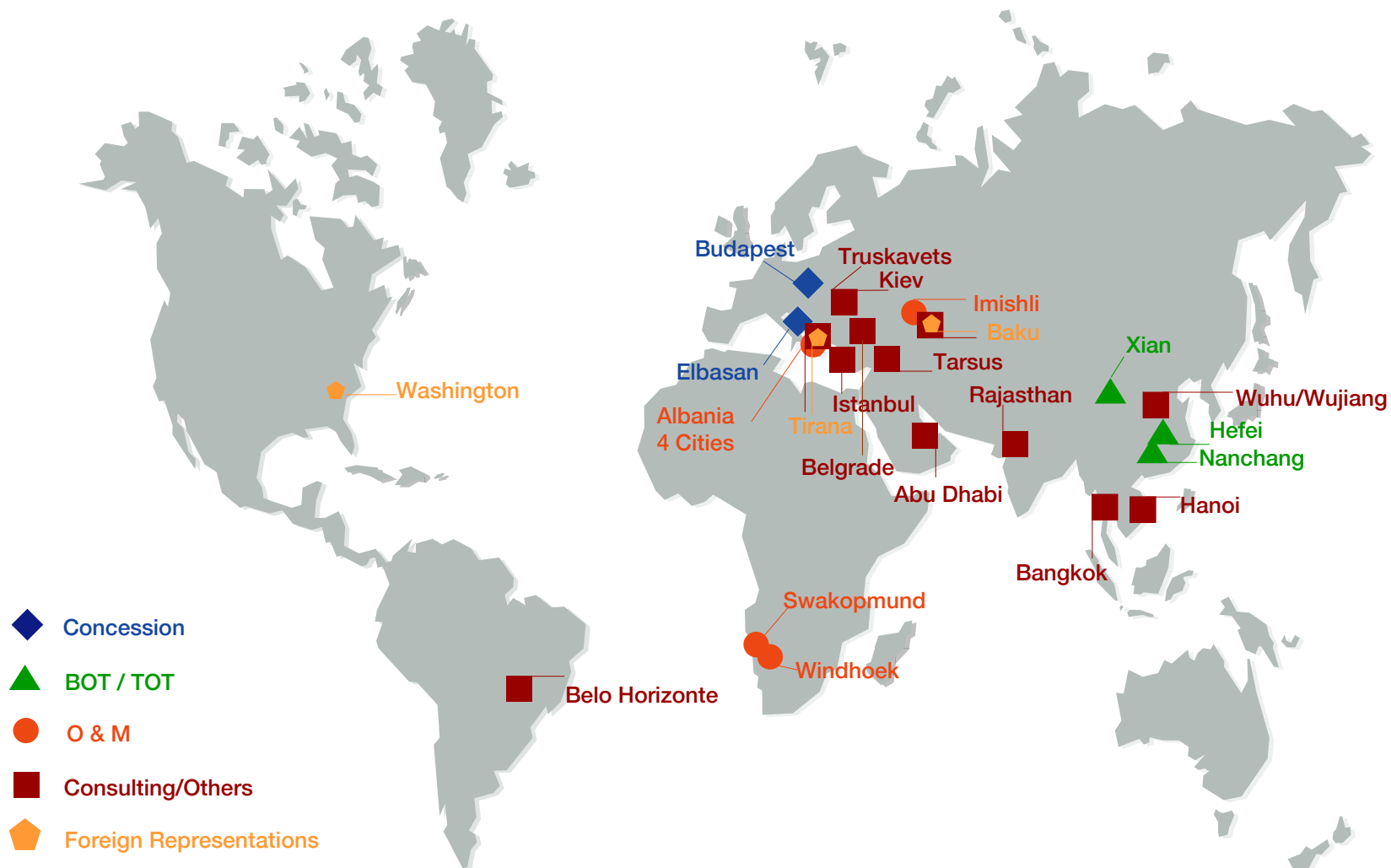
There will be no global crisis because
of physical scarcities of water.

If there will be a crisis, it will be because of
poor water management.*

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* Asit K. Biswas, President Third World Center for Water Management, Mexico.

International Projects and References





The gap
between needs

Low rate of investment

Over-exploited water resources

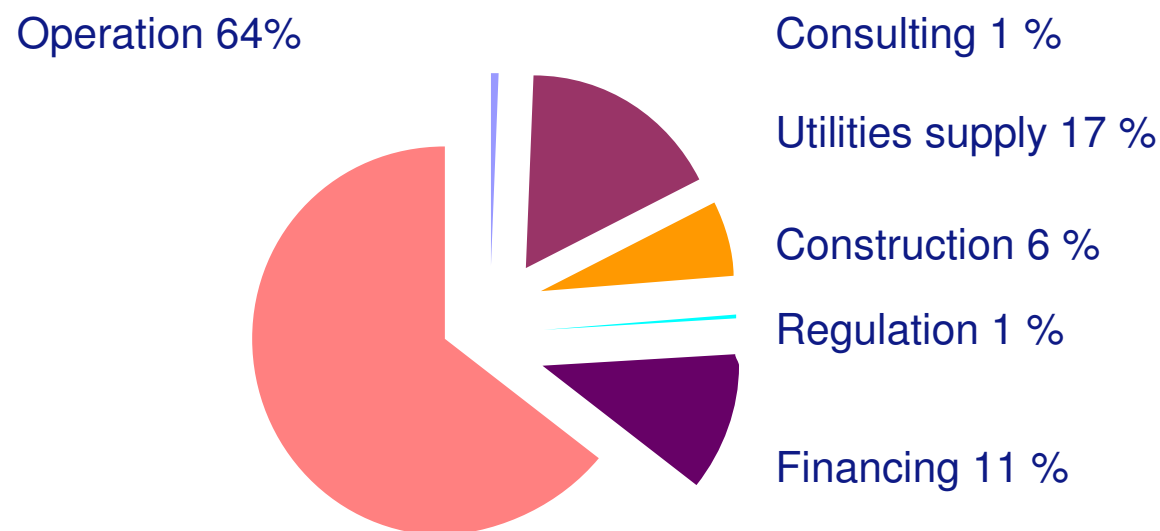
**40% of the world's population lacks
access to improved water and sanitation**

and needs
is growing



Global World Water Market Size

- The estimated global world water market size: **US\$B 365 p.a.**
- Thereof water treatment / wastewater disposal: **US\$B 138 p.a.**
- By offerings areas in percentage:



Source: Goldman Sachs, 2007,
McKinsey / Ceenex (Pty) Ltd: World Water Utility Market Model 2001

Investment in the Developing World

- Investment needs in social and economical infrastructure at a rough estimate p.a.: **€ 450.00 billion**
- Thereof investment needs in water and wastewater p.a.: **€ 45.00 billion**
- The World Bank lending for water, sanitation and flood protection, fiscal 2006: **€ 1.18 billion**
- Other sources of Public and Private capital must cover an annual gap of: **€ 43.82 billion**

Source: World Bank, Annual Report 2006
KfW, 2007; McKinsey Research

How to attract more private investment

- Promoting the value of water
 - Protect the natural water resources from over-exploitation
 - Unlock investment to the sector
 - Expand water services to the developing world
- Water issues needs investment and innovation
 - Secured conditions for private financing
- Investment into water projects must be profitable
 - Risk mitigation
 - Guaranties
- The only source for long term profitability is the tariff

Get the Water Sector Working for All

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There will be no chance to
close the financial gap
for investment needs
without private financing.

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