

Mission Statement
Environmental and Clean Energy Technologies Trade Mission to Croatia, Italy, and Greece
March 30 to April 4, 2009

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration, U.S. and Foreign Commercial Service (USFCS) is organizing an Environmental and Clean Energy Technologies Trade Mission to Zagreb, Croatia; Milan, Italy; and Athens, Greece, from March 30 to April 4, 2009. All three fast growing markets hold promising potential for U.S. firms offering equipment, services, and technologies in the target sectors. The mission will introduce participating U.S. firms to prospective representatives, distributors, end-users, and partners through one-on-one appointments in all three cities and will include participation in the EcoTec Environmental Tradeshow (EcoTec 2009) in Athens, where the USFCS will provide entry to the trade show, manage a booth, and organize meetings with business and industry contacts for each of the mission participants.

COMMERCIAL SETTING

Greece

Environmental protection is a priority issue in Greece, where the market for environmental equipment and services is expected to far outstrip local capacity in the future. The Greek Ministry of Environment estimates the country's environmental market to be about US\$2.2 billion, or 1.5 percent of GDP. Investment in environmental infrastructure through European Union (EU) and national programs has been the centerpiece of environmental progress in Greece. These investments have been used to construct numerous wastewater and solid waste treatment facilities, as well as new recycling plants, composting facilities, and treatment plants for industrial and hazardous waste materials.

The implementation of EU environmental legislation in national laws has created the institutional basis for successfully facing environmental protection challenges. In January 2007, the Minister of Environment announced a US\$6.3 billion investment plan for 2007-2013 for the upgrading, modernization and maintenance of environmental projects in waste management, recycling, and water treatment, to be implemented under the "Environment and Sustainable Development" program.

Following EU directives and practices, Greece is committed to introducing the necessary legislative framework for promoting the use of "clean" or "green" technologies. Renewable energy will play a major role in these initiatives. Furthermore, in an effort to catch up with commitments under the Kyoto Protocol, Greece's Minister of Environment has approved a National Allocation Plan for Emission Trading for 2008-2012, which aims to bring about a 16.6 percent reduction in greenhouse gas emissions.

Areas holding the greatest potential for U.S. firms in the Greek environmental market include waste management, recycling and biomass facilities; hazardous waste treatment and disposal; water treatment; air and sea pollution control; clean coal plants; "green" building materials; emissions monitoring and reduction; and photovoltaic plants.

At the EcoTec Environmental Tradeshow, to be held April 3-6, 2009, mission members will have opportunities to meet with business and industry contacts in a range of sectors, including renewable energy, recycling, ecoconstruction, waste management, wastewater treatment, environmental restoration, energy conservation, and alternative fuels. EcoTec 2009 is expected to attract technical experts, local and national management councils, large commercial entities, construction companies, government procurement executives, investors, researchers, and various business representatives from all over Greece and neighboring countries (for details, see: http://www.EcoTec.gr/Site%20EcoTec%20final/Hekthesh_eng.html).

Italy

Italy's US\$6 billion environmental market – of which machinery and equipment account for approximately US\$1 billion – offers significant opportunities to U.S. firms providing innovative technologies. Waste management is a major issue driving Italy's environmental policy. While the practices of waste minimization and separate waste collection, waste re-use, recycling, and recovery are growing, urban and industrial waste disposal in Italy still depends largely on landfills. Investments of several billion dollars are expected over the next few years to adopt innovative recycling technologies and to build near-to-zero emission waste-to-energy plants. Recent implementation of the EU directive on waste and electronic equipment recycling of is expected to expand opportunities for U.S. firms offering technological innovation.

Italy's water collection and distribution systems, as well as its urban wastewater sewage and purification systems, are also inadequate. Measures to encourage more sustainable use of water resources include new legislation for water reuse and investments in innovative technologies to prevent and detect water losses. The total investment to implement an integrated water system comprising aqueducts, sewage systems and treatment services could reach US\$55 billion countrywide in the next ten years.

With regard to soil remediation, specific legislation has established the criteria, procedures, and methods for safety and clean-up actions for environmental restoration of contaminated sites. The Italian Government has identified 40 Italian sites of "National Interest" in need of urgent clean up. It is estimated that at least 15,000 areas in Italy are currently subject to environmental investigation and/or remediation actions. Innovative technologies in this sector are in high demand.

Italy has implemented restrictive air pollution control legislation in compliance with stringent EU regulations to cut greenhouse gas emissions by 20 percent. The environmental impact of private and public transportation remains a major problem. Italy's major municipalities have implemented a large number of projects, and the Italian Government is offering incentives to substitute older vehicles with new vehicles with lower environmental impact, but there is still much to be done.

As far as energy is concerned, Italy depends on foreign suppliers for about 80 percent of its needs. Interest in renewable energy has become an important issue on the Italian Government's agenda, and there is substantial effort in research and development to expand the use of alternative sources of energy, especially biomass, geothermal, solar (both photovoltaic and solar thermal), and wind energy.

Green building also represents an increasingly promising market, as European and local norms steer builders in that direction. Italy lags behind other European countries, but the trend is positive, and green building represents a very dynamic market niche.

While competition in Italy is fierce, U.S. environmental and energy technologies are highly regarded there. Moreover, Italy's strategic Mediterranean location makes it an ideal gateway to the emerging markets of Eastern Europe, North Africa, and the Middle East. Several Italian firms specializing in turn-key operations have strengthened their position in foreign markets. The right Italian partner could assist U.S. firms not only in penetrating the Italian market, but also in effectively entering other foreign markets.

Croatia

EU accession is the primary force affecting planning and procurement in the Croatian environmental sector. Croatia's Ministry of Environmental Protection, Physical Planning and Construction and the World Bank estimate that Croatia needs to invest more than US\$10 billion in the environmental sector prior to accession, including about US\$2.2 billion for waste management, US\$5 billion for wastewater treatment, and US\$56 million for air protection. So far, less than US\$35 million has been directly invested in environmental protection in Croatia. Expected increases in these investments, in addition to over US\$186 million from EU Pre-Accession Funds delivered over the next three years, make Croatia an attractive market for U.S. suppliers of environmental equipment and services.

Four primary environmental subsectors – waste management, wastewater treatment, air protection and renewable energy – hold opportunities for U.S. firms. Waste management is currently the largest challenge in Croatia’s environmental sector. Key issues are increases in solid waste, very limited recycling, unreliable data on waste flows and quantities, and lack of organized disposal sites. According to plans, by 2025 most of the population will be included in an organized municipal waste collection system; recycling and waste treatment will grow significantly; and municipal and bio-degradable waste will be significantly reduced. To meet these goals, Croatia is organizing four regional and 21 county waste management centers with treatment plants and landfills. Remediation of 176 landfills is also underway, and two upcoming tenders offer possibilities for U.S. firms. The first, the Zagreb Waste Management Center, will include an incinerator, recycling yard, and heat and electricity generating plants at an approximate cost of US\$580 million. The incinerator will be constructed next to the central wastewater treatment plant, and the resultant sewage sludge, together with municipal waste, will be used for energy generation. The second, a hazardous waste incinerator, is estimated to cost US\$22 million.

Wastewater management is a key concern in Croatia, particularly in coastal municipalities. While water supply coverage, 73 percent, is high compared to other countries in the region, coverage for sewage is only about 40 percent, and less than 12 percent of all collected wastewater is being treated. Objectives for bringing Croatian water management in line with EU regulations include creating a Water Information System; extending public water supply to 90 percent of the population; providing wastewater collection, treatment and disposal systems for 10.5 million people; and implementing flood control and multi-purpose projects. Other opportunities include three large wastewater projects currently underway: The US\$250 million Coastal Cities Pollution Control project, sponsored by the World Bank; the US\$38 million Karlovac Wastewater Management Project, financed by the European Bank for Reconstruction and Development; and the US\$18 million Inland Waters Project, financed by the World Bank.

The Air Protection Act (2005) governs air quality management in line with the EU Framework Directive 96/62/EC on ambient air quality assessment and management. Although Croatia ratified the Kyoto Protocol in May 2007, efforts are still needed to limit the growth of greenhouse gas emissions in order to meet Croatia’s Kyoto target for the period of 2008 through 2012. Another priority is reduction of acid and other polluting gaseous emissions from major industrial premises such as refineries, petrochemical plants, cement factories, and large combustion plants.

In 2007, Croatia adopted important regulations to support development of renewable energy projects required to meet the goal of the minimal 5.8 percent renewable energy share in the total electric energy supply by 2010. The overall size of the renewable electric energy projects is about 330 Megawatts of new capacity in the next three years, estimated to cost approximately US\$700 million. Numerous private sector investors have submitted over a hundred projects for preliminary approval to the Ministry of Economy, 90 percent of which are for wind farms. Other renewable energy best prospects include biomass cogeneration plants, solar thermal collectors, and bio-fuel plants.

While the Croatian environmental and clean energy markets are relatively small on the global scale, EU accession has strengthened emphasis on these sectors, pointing to opportunities for U.S. firms that are able to offer specialized equipment and services in the near term to help alleviate Croatia’s existing environmental challenges and thereby position themselves for long-term market access.

MISSION GOALS

The goals of the Environmental and Clean Energy Technologies Trade Mission to Italy, Croatia, and Greece are threefold: (1) to help U.S. firms explore supplier opportunities under various environmental programs; (2) to help U.S. firms initiate or expand their exports to these markets by providing business-to-business introductions and market access information; and (3) to facilitate an effective U.S. presence at EcoTec in Athens.

MISSION SCENARIO

The mission will stop in Zagreb, proceed to Milan, and conclude in Athens, at EcoTec 2009. The USFCS in Athens will provide entry to the trade show, manage a booth, and organize meetings with business and industry contacts for each of the mission participants. Activities at all stops will include market briefings; pre-scheduled appointments with potential partners, distributors, representatives, and end users; networking receptions; and meetings with USFCS environmental technology specialists. The USFCS in Athens will continue to maintain a presence at EcoTec Sunday, April 5, and will assist any mission members wishing to remain to take advantage of visitor traffic at the show, expected to be highest that day. This assistance is offered to the delegation at no additional cost.

PROPOSED TIMETABLE

Monday, March 30	Zagreb: Briefing, one-on-one appointments, evening reception
Tuesday, March 31	Morning, conclude appointments / Depart for Milan
Wednesday, April 1	Milan: Briefing, appointments, evening reception
Thursday, April 2	Appointments, site visits / Depart for Athens
Friday, April 3	Athens: Briefing, appointments, trade show opening, late afternoon reception
Saturday, April 4	Appointments, show activities / Mission concludes
Sunday, April 5	Bonus day

PARTICIPATION REQUIREMENTS

All parties interested in participating in the Environmental and Clean Energy Technologies Trade Mission to Italy, Croatia and Greece must complete and submit an application for consideration by the Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. The mission will open on a first come first served basis to minimum of seven and maximum of 10 qualified U.S. companies.

Fees and Expenses:

After a company has been selected to participate on the mission, a payment to the Department of Commerce in the form of a participation fee is required. The fee for participation in the entire mission will be US\$5,400 for large firms and US\$3,975 for a small or medium-sized enterprise (SME), which includes one principal representative.* The fee for each additional firm representative (large firm or SME) is \$450. Expenses for lodging, some meals, incidentals, and travel (except for in-country arrangements previously noted) will be the responsibility of each mission participant. While priority will be given to firms applying to take part in all three cities on the mission itinerary, firms may opt to visit only one or two markets on the itinerary for the following fees:

Option	SME	Large Company
One stop	US\$2,000	US\$3,000
Two stops	US\$3,000	US\$4,000

Conditions for Participation:

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation.

* An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardsttopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing schedule reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (for additional information see <http://www.export.gov/newsletter/march2008/initiatives.html>).

- Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least fifty-one percent U.S. content.

Selection Criteria for Participation

Selection will be based on the following criteria:

- Suitability of the company's products or services to the three target markets and sectors
- Applicant's potential for business in the target markets, including likelihood of exports resulting from the mission
- Consistency of the applicant's goals and objectives with the stated scope of the mission
- Applicant's stated intent to participate in all three markets on the mission itinerary

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

TIMEFRAME FOR RECRUITMENT AND APPLICATIONS

Recruitment for this trade mission will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar (<http://www.ita.doc.gov/doctm/tmcal.html>) and other Internet web sites, press releases to general and trade media, e-mail blasts, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows. Recruitment for the mission will begin immediately and conclude no later than February 12, 2009. Applications received after that date will be considered only if space and scheduling constraints permit.

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