

# **The Global CleanTech BOOM**



**Michèle B. Corash**  
**CleanTech Conference**  
**October 30, 2007, Tel Aviv**

# The CleanTech BOOM!—From California to Israel, It Is A Global Phenomenon



The Lux Report defines CleanTech as having five top-level segments:  
energy, air, water, waste and sustainability

These are global issues—creating global opportunities

*The Global Law Firm for Israeli Companies*

Image: California Israel Chamber of Commerce

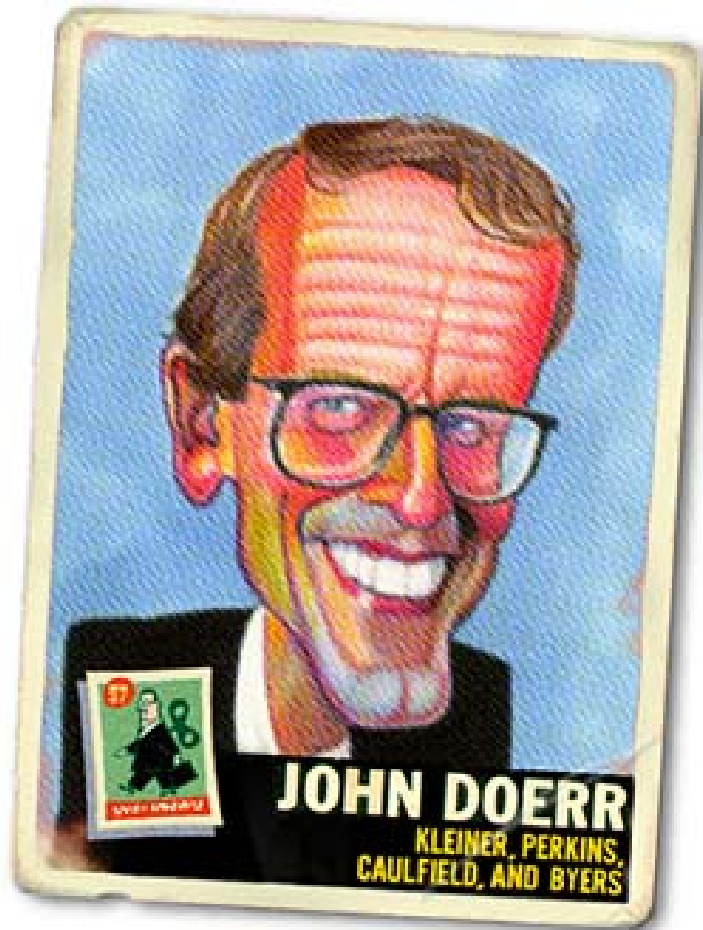
MORRISON | FOERSTER

# A Run for the Money— and There's Lots Being Invested



- \$63.3B Cleantech investment in 2006
- 2006 VC funding of CleanTech: \$7.1B (\$4B from US)
- 30 US IPOs in Cleantech energy in 2006 — \$4.4B
- 56 M&A transactions in Cleantech in 2006 — \$4.2B
- 4,903 US Patents issued in 2006 focusing on Cleantech

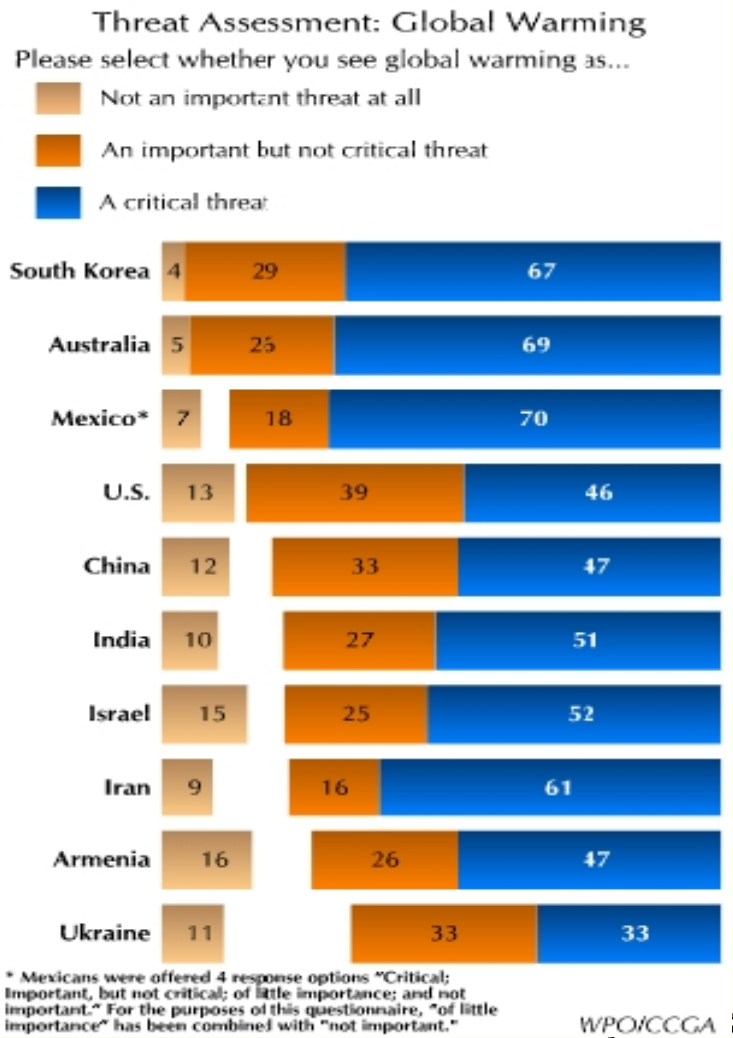
# Could Be “the Largest Economic Opportunity of the 21st Century”



“There’s never been a better time than now to start or accelerate a greentech venture.”

“This is the mother of all markets.”

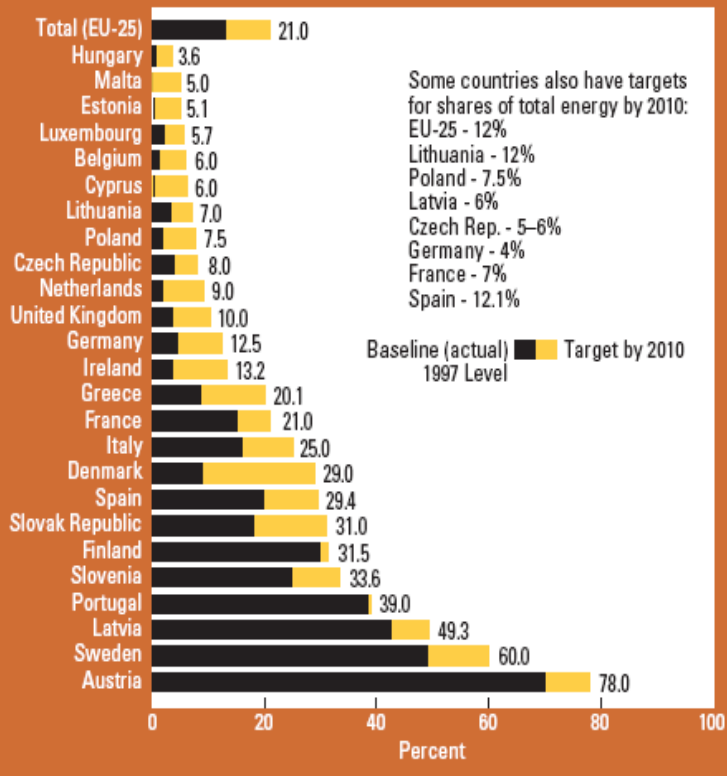
# Perceptions of the Threat Posed by Global Warming



World Public Opinion Poll: vast majority of the world considers global warming a "critical" threat

# Worldwide Awareness Leads to Action

**Figure 10. EU Renewable Energy Targets—  
Share of Electricity by 2010**



REN21 2006 Global Status Report

- **Europe: 21% renewables by 2010**
- **California: 20% renewables by 2010**
- **29 other states: similar goals, longer deadlines**
- **California and 14 other states—  
tough auto GHG emission standards**
- **California: 1990 GHG Levels by 2020**
- **California to be “model” for US**

# Investments in Renewable Energy

Figure 1. Wind Power, Existing World Capacity, 1990-2005

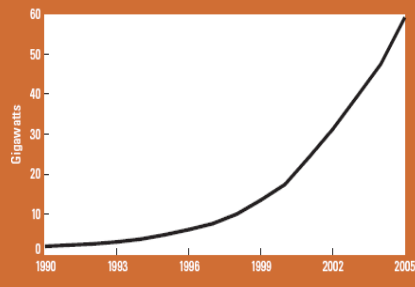


Figure 3. Solar PV, Existing World Capacity, 1990-2005

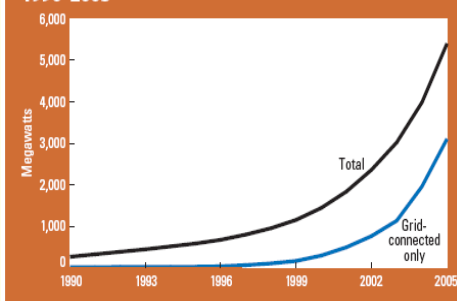
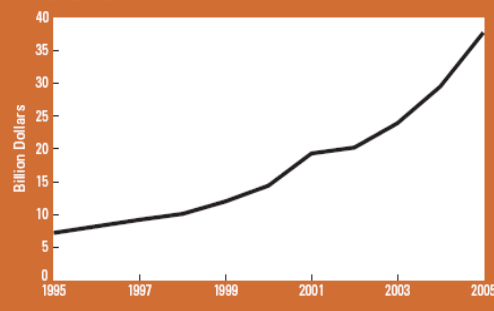


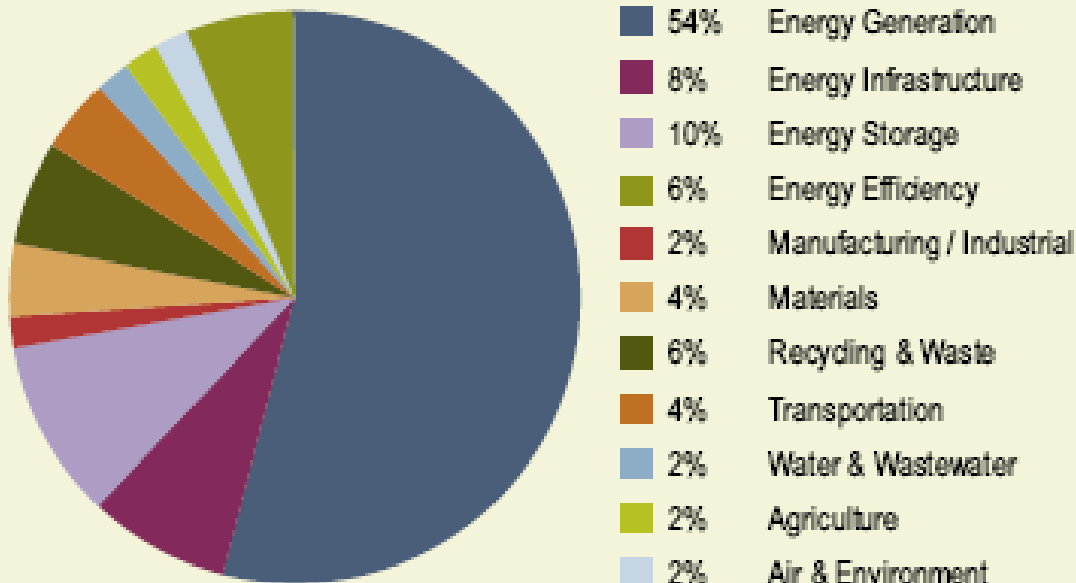
Figure 9. Annual Investment in Renewable Energy, 1995-2005



- \$38B in 2005
- Additional \$15-20B in hydropower
- China: \$13B in 2004-2005.
- Of all European investments, 10% to clean energy in past 3 years
- European Investment Bank loan of €2.2B in 2006 to energy efficiency and renewables.

# Water In The Investment Portfolio

## Cleantech Venture Amounts Invested in North America and Europe by Segment in 2006

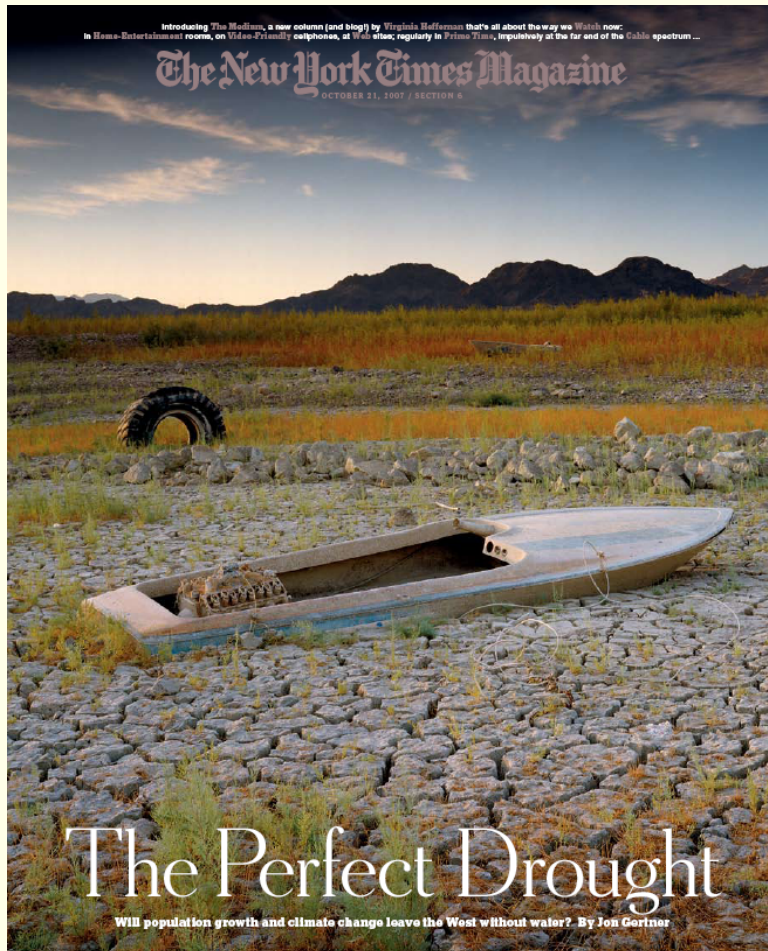


78% to Energy

2% to Water

Source: Cleantech Network™

# What About Water?



- United Nations: 50% increase in population by 2050
- 1.8 billion people living in water scarce areas by 2025
- IMF: 90% of world freshwater supply used annually by 2025

# New Water Technologies Beginning to Command a Premium



- 2007 global water market—\$463 billion.
- 2007—\$13 to \$15 billion investment to desalination
- Fastest growing private investment sector in China
- Water connected to energy—19% of total electricity demand in California is water-related

# ...And This Is Just The Beginning...



- 77% of US Executives to spend more on environment
- 82% of global business leaders: Sustainability to be a “core” strategy (BSR 2007)
- 8 of Largest Utilities in US to invest \$1.5B annually in energy efficiency.

# A Final Word from the “Governator”



*The Global Law Firm for Israeli Companies*

MORRISON | FOERSTER

# Questions?

**Michèle B. Corash**  
**mcorash@mofo.com**

**[www.mofo.com/israel](http://www.mofo.com/israel)**  
**[www.mofo.com/cleantech](http://www.mofo.com/cleantech)**