ANNEX I

CLASSIFICATION OF ENVIRONMENTAL GOODS AND SERVICES

INDUSTRY FOR THE STUDY
BOX 1: THE ENVIRONMENTAL INDUSTRY

The environmental industry is defined by OECD and Eurostat (1999) as comprising of three main sectors:

1. Pollution Management;
2. Cleaner Technologies and Products;
3. Resources Management.

For this study, both Pollution Management and Cleaner Technologies (but not Products) were amalgamated. The following gives an overview of the main areas covered by each of these three areas:

Pollution Management

Air Pollution Control: defined as products, systems and services for the removal of gaseous and particulate pollutants from air. Examples include filters and catalytic converters (products), gas treatment plant (systems), and turnkey contracting (services).

Wastewater Treatment: defined as products, systems and services for the removal of pollutants from municipal wastewater (sewage) and industrial wastewater. Examples include membranes, chemical dosing, pipes and tanks (products), control systems, aerobic and anaerobic systems), and trenchless boring and facilities management (services). Wastewaters are defined to including cooling waters. Activities for purifying and supplying water for drinking or for use in industrial and commercial activities are included in the Resources Management section.

Waste Management: defined as products, systems and services for the collection, disposal and treatment of municipal, commercial and industrial wastes. Examples include landfill liners and composters (products), landfill gas extraction (systems), and collection and disposal (services). Waste recycling activities are not included in the Resources Management section.

Remediation and Clean up of Contaminated Land and Water: defined as products, systems and services for the identification, assessment and remediation of contaminated sites. Examples include adsorbents and injection equipment (products), monitoring systems and proprietary treatment processes (systems), and sampling/analysis (services).

Noise and Vibration Control: defined as products, systems and services for the abatement of noise pollution. Examples include acoustic enclosures and noise barriers (products), vibration measurement systems (systems), and noise and vibration measurement (services).

Environmental Analysis and Assessment: defined as products, systems and services for the monitoring of environmental standards and conditions, both directly and remotely. Examples include monitors and instruments (products), continuous emissions monitoring
systems (systems), and installation and maintenance (services).

**Environmental Research and Development**: defined as discrete research and development activity specifically attributable to environmental objectives. Examples include laboratory analysis and attributed technological development.

Each of the sectors above comprises of a variety of equipment and services, from general "low-tech” items, such as standard pumps and valves, to specialised "high-tech” equipment and services, such as pollution monitors and advanced filtration plant. Between the two lies a wide spectrum of technologies, skills and capabilities.

Two remaining areas examined within the “Pollution Management” category include:

**General Administration (Public sector)**: activities within the public sector which involve an explicit environmental dimension or function. For example, environmental protection agency inspection teams, environmental tax collection and administration, Government departments etc.

**Environmental Management (Private sector)**: activities within the private sector which involve an explicit environmental dimension or function. For example, environmental management system operation, ISO14001 management and operation, environmental audit work etc.

**Cleaner Technologies and Products**

**Cleaner/resource efficient technologies and processes**: Cleaner and resource efficient technologies decrease material inputs, reduce energy consumption, recover valuable by-products, reduce emissions, minimise waste disposal problems, or some combination of these.

**Cleaner/resource efficient products**: Cleaner or resource efficient products decrease material inputs, improve product quality, reduce energy consumption, minimise waste disposal problems, reduce emission during use, or some combination of these.

**Resources Management**

**Potable water treatment and distribution**: any activity that produces equipment, technology or specific materials, designs, constructs or installs, manages or provides other services for water supply and delivery systems, both publicly and privately owned. It includes any activities aiming to collect, purify and distribute potable water to household, industrial, commercial or other users.

**Recycled materials**: This class includes any activity that produces equipment, technology or specific materials, designs, constructs or installs, manages or provides other services for manufacturing new materials or products, separately identified as recycled, from recovered waste or scrap, or preparation of such materials or products for subsequent use.
**Renewable energy plant**: This class includes any activity that produces equipment, technology or specific materials, designs, constructs or installs, manages or provides other services for the generation, collection or transmission of energy from renewable sources, including biomass, solar, wind, tidal, or geothermal sources.

**Nature Protection**: activities to conserve or maintain the natural environment.