

Siemens inks green deals worth 2b yuan

Siemens AG, Europe's largest engineering company, yesterday said it signed orders worth 2 billion yuan and other agreements with Chinese partners this week, most of which are for environmentally friendly products and solutions.

The orders cover a wide range of the company's portfolio in China, including energy, transportation and healthcare, the company said in a statement.

These orders show that growth of the market for environmental technology is strongest in emerging countries such as China, said Peter Loescher, president and CEO of Siemens.

China now accounts for 6 to 7 percent of Siemens' global business.

In fiscal 2009, Siemens earned revenue of approximately 230 billion yuan from the products and solutions under its environmental portfolio, with emerging countries' share of the green revenue steadily increasing. "Our green products and solutions have stabilized our businesses during this unprecedented global economic recession, and we will continue to base further growth on orders for these technologies," said Loescher.

China has pledged to reduce carbon emissions per unit of GDP by 40 to 45 percent by 2020. This goal requires strong cooperation between the government and innovative enterprises, he said.

Over 50 percent of the future growth of Siemens in China would be related to green technology, said Richard Hausmann, president and CEO of Siemens China.

The company's environmental portfolio in the country includes solutions for sectors like power generation, transmission and consumption, buildings, lighting, transportation and industry, as well as environmental technologies such as water purification and air pollution controls, according to Hausmann.

Siemens entered China's wind power industry in 2009 by constructing a 581-million-yuan wind power equipment plant in Shanghai.

The plant is expected to come on stream in the second half of 2010, with the first turbine blades and nacelles scheduled to leave the plant during the World Expo 2010 Shanghai.

To meet the rapidly growing demand of China's wind energy market, the company will further invest over 500 million yuan in its two operating companies in Tianjin over the next three to five years. Part of this investment will be used to expand the production capacity of wind turbine gearboxes, the company said.

Siemens earlier announced that it expected to get orders totaling 20 billion yuan from China's 4-trillion-yuan economic stimulus package. Among these orders, half would go toward energy efficient and environmentally friendly technologies.

Source: China Daily