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CANADIAN

WATER

TREATMENT

Canada's Water Quality Improvement Magazine

Walkerton: Five Years Later

Sizing RO Systems Part II - RO Pretreatment

The Devils Lake Water Diversion Proposal:
A Cross Border Controversy

National Ag Study:
Evaluating Land Usage for Water Quality

**Cost to Cleanup Great Lakes:
\$20 Billion USD**

Say "Hola" to the
Mexican Market!

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The North American market for environmental products and services is mainly directed at Canada and the United States. What is often forgotten is that there is an incredible market just south in Latin America. Our friendly neighbor to the south, and the third member of NAFTA, Mexico, should be remembered as a great and growing market.

While Latin America represents only 2.2% of the global environmental market, the market growth in the region is currently estimated at over 11.5% per year, ranking it second in the world behind Asia. Specifically, the Mexican environmental market reached \$6 billion in 2000 and is projected to reach approximately \$35 billion by 2010. With a population of over 100 million and the highest birth rate in North America, the Mexican market is one that is sure to continue its growth.

Mexico requires significant investment in water treatment, hazardous waste and municipal solid waste management. The border regions and large metropolitan areas offer the best opportunities. Border projects also benefit from funds made available from the North American Development Bank, which finances municipal projects within 100 km of the Mexico-U.S. border.

Accordingly, some of the best opportunities in Mexico's industrial segment relate to infrastructure projects including water and waste, hazardous waste treatment and disposal solutions.

The best prospects for Canadian environmental companies come from government and industrial programs. Government programs include institutional strengthening, technical assistance, training, and decentralization of environment-related public services. Industrial project opportunities include environmental impact studies, feasibility assessments, voluntary and mandatory compliance, risk assessments, environmental permitting & training, and sustainable development.

Opportunities exist to supply equipment, technology and consulting services to Mexican contractors, private consumers and industries including water treatment.

How to get into the Mexican market

Like many other foreign markets, it is important to have a clear understanding of the market before launching into it. According to Canadian/Mexican Trade Expert Idalia Obregon, President of both Exito Trade Consulting and of the Toronto Hispanic Chamber of Commerce, "Contacts and relationships are key facilitators in your business ventures into the Mexican market. Without an existing network in this country, it is extremely difficult to get started."

Exito assists new entrants create, develop and manage strategic business alliances between Canadian and Mexican companies, through project and corporate joint ventures, mergers, and commercial relationships. According to Obregon, "We are committed to the economic and social development of established Canadian and Mexican companies with growth objectives of turning socially conscious ideals and aspirations into reality."

Obregon also points out that the other opportunity is that is often missed is that of providing assistance to Mexican companies on the Canadian market. Companies in Canada can provide product and market representation with the research, analysis, and other essential services for strategic entry of Mexican industrial products into the Canadian market.

Local Access to Mexican Chambers of Commerce

While there is not a Chamber in every city, there are chambers in a number of locations outside of Mexico. They are set up to promote and facilitate the success of Hispanic businesses in their specific locations and for non-Hispanic businesses to be able to engage the Hispanic community.

For example, the Toronto Hispanic Chamber of Commerce is hosting an event promoting international trade with Latin America later in 2005 in collaboration with the "Latin American Consular Group" of Ottawa where participants will have an excellent opportunity to gain market knowledge and make new contacts.

A checklist for those developing a market in Mexico

- Physical presence/operating location in the Mexico market
- Understanding / coaching on language and cultural nuances
- Network of contacts in private and public sectors
- Efficient system to follow up on initiatives
- Optimization of companies' time and efforts in focusing and delivering key services
- Practical knowledge of Mexican business culture - "know how" and "know who"
- Measurable progress and benchmarking
- Access to Latin America and Hispanic businesses in the US through a Hispanic Chamber of Commerce

Idalia Obregon can be reached at (416) 494-4803 or Idalia@exitotc.com.



James Sbrolla is President of Environmental Business Consultants (EBC) and can be reached at (416) 234-5120 or jamesbrolla@ebccanada.com. Visit EBC's web site: www.ebccanada.com.