

Mexican government officials commented in interviews for this profile that the majority of the companies that have been inspected and found in non-compliance are willing to cooperate and will make the investments needed during the next five years to recycle and treat the wastewater they generate.

As of early 1995, the World Bank is considering an additional loan of US \$25 million to provide technical assistance for the enforcement efforts of *PROFEPA*.

## **NORTH AMERICAN FREE TRADE AGREEMENT**

Under the North American Free Trade Agreement (NAFTA), Canadian companies obtain equal treatment on federal contracts over C \$50,000 for goods and services and C \$6.5 million for construction services. For municipal projects, the thresholds are C \$250,000 for goods and services and C \$8 million for construction. State-owned enterprises that are covered by this provision include *Petróleos Mexicanos (PEMEX)*, the national oil company; the *Comisión Federal de Electricidad (CFE)*, Federal Electricity Commission, *Ferrocarriles Nacionales de México (FNM)*, the Mexican National Railway; and the *Comisión Nacional del Agua (CNA)*, National Water Commission.