

90 percent of the market. Almost 60 companies are active in the pharma-chemical sector which manufactures raw materials for medicines from basic chemicals and other inputs. Another 350 companies produce medicines for human and veterinary use as well as surgical products. Little research and development is done in the country.

## PLASTICS

The Mexican plastics industry is made up of about 2,800 plastics processing companies, plus about 350 firms engaged in activities related to plastics. Mexico has a large production capability in the traditional commodity resins, but is dependent on imports for the newer and more sophisticated inputs. The most important companies include *Duroplast*, *International Profesional*, *Industrias Plásticas Máximo*, *Reich*, *Celmex*, and *Empaques Plásticos Industriales (EPISA)*.

## PULP AND PAPER INDUSTRY

There are eight pulp and paper producing firms and another 58 paper producers in Mexico. The largest manufacturers of industrial and business paper are Kimberley-Clark, *Compañía Industrial de San Cristóbal* (Scott Paper) and Jefferson Smurfit Group of Ireland. They have pulp mills throughout the south, east and central regions of the country. Some of these mills are integrated with papermaking facilities. All of Mexico's newsprint is produced by *Productores e Importadores de Papel S.A. (PIPSA)*, which is a group of three government-owned or government-backed plants.

## SOAP AND DETERGENTS

Mexico's soap and detergent producers are, for the most part, technologically advanced and include two of the largest plants in the world. The principal products are laundry soap, personal soap products and detergents. Mexico does not import signi-

ficant quantities of these products, but it does import raw materials. The US is the principal supplier, claiming close to 90 percent of the import market.

## TANNING

The tanning industry is an important user of chemicals, including salts, chromium, greases and synthetics. The industry's leading companies include *Fábricas de Calzado Canadá* and *Curtidos Rexis*.

## TEXTILES

The Mexican textile industry is a large importer of synthetic fibres, including about C \$2.2 million worth of Canadian artificial filaments in 1995. Chemical products imported by the industry include bleaches, dyes and softeners. The larger Mexican textile manufacturers are members of *Cámara Nacional de la Industria Têxtil (Canaintex)*, National Chamber of the Textile Industry. They include *Kaltex*, *Avante*, *Romafil*, *Intretex*, *Martex Potosí*, *Negociación Fabril de Soria* and *Grupo Hytt* among many others.

## WASTEWATER TREATMENT

Mexico has a serious water pollution problem. Less than 400 plants treat only 18 percent of municipal discharges. The industrial sector generates 18 percent of all wastewater and it is estimated that only about 15 percent of it is treated. Mexico expanded its environmental enforcement regulation in 1992, and water treatment activity is expected to grow substantially over the medium term.

## COMPETITORS

Companies located in Mexico supply about 70 percent of Mexico's apparent consumption of chemicals. Mexico is a net importer of chemicals. According to estimates by *Asociación Nacional de la Industria Química (ANIQ)*, National Association of the

Chemical Industry, imports in 1995 totalled US \$4.7 billion. This compared with US \$3.7 billion in exports. Local production was estimated at US \$14.8 billion.

All of the large chemical producers in Mexico are members of *ANIQ*. There are 291 companies listed in the *ANIQ* directory for 1996-97. The manufacturing chamber lists about 4,000 companies as part of the chemical sector, but more than 90 percent of them are classified as small or micro.

The *ANIQ* directory includes 530 pages of detail on the activities of each company and also lists producers by commodity. In addition, *ANIQ* publishes an annual statistical report which includes production and trade data for hundreds of individual chemicals.

The industry is dominated by the largest firms. Most larger domestic producers are either wholly-owned or partially-owned by multinational chemical companies or have joint ventures or strategic alliances with foreign firms. The most important producers are Amoco, Bayer, *Infra*, *Cydsa*, *Girsa*, *Celanese*, Polaroid, Henkel, BASF, Mobil Oil, Kimex, Hoechst, Dupont, Texaco and Union Carbide.

Many Mexican-owned chemical companies are part of large Mexican *grupos*. *Girsa Corporativo*, for example, operates more than 15 chemical divisions including *Industrias Resistol*. *Girsa* is the chemical division of *Grupo Desc*, a huge conglomerate and Mexico's 22<sup>nd</sup> largest company.

## TRENDS AND OPPORTUNITIES

Chemicals are consumed by a wide range of industries and the health of the chemical sector is highly dependent on the state of the overall economy. Domestic demand was cut