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# S U M M A R Y M A R K E T P R O F I L E

## The Construction Products Sector in Mexico

### THE OPPORTUNITY

The Mexican government's commitment to infrastructure development and an improved standard of living is creating sustained demand for construction activity. As a result, the expansion of the construction industry has consistently outpaced overall economic growth.

The government has recognized that Mexico's dilapidated public infrastructure has constrained economic development. Better roads and ports are



### INDUSTRY MARKET PROFILE

The Department of Foreign Affairs and International Trade has prepared a market profile entitled, *Market Profile: Opportunities in Mexico — The Construction Products Market*. The market profile and this summary of the market for **Construction Products** have been researched by Townsend Trade Strategies Inc. and published by Prospectus Inc. under the Access North America Program, along with other sector profiles and summaries on business opportunities in Mexico. The profile's table of contents is listed below. It is available from:

#### InfoCentre

Tel.: 1-800-267-8376 or (613) 944-4000  
Fax: (613) 996-9709  
FaxLink: (613) 944-4500

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needed to facilitate trade. Modern energy generation and water and sewage systems are needed to improve the standard of living. The government has intervened in all of these areas. Other government policies are stimulating private sector investment.

The growth of the construction industry has created a strong demand for building materials. In 1993 alone,

purchases of materials by the formal construction sector nearly doubled.

Mexico has traditionally produced its own building materials but domestic manufacturers have not been able to modernize and expand to keep pace with demand. As a result, imports are playing an increasing role in the market, accounting for more than 20 percent of consumption over the last four years.

### HIGHLIGHTS

**The construction products sector in Mexico offers major opportunities for Canadian companies:**

- **construction activity is growing faster than the economy as a whole;**
- **many large scale infrastructure projects are underway;**
- **imports of construction materials and equipment have risen dramatically;**
- **materials and equipment for road construction, water infrastructure, energy generation, housing, commercial development and tourism infrastructure offer the greatest short-term potential;**
- **opportunities will develop in maritime and airport construction, railways, and communications infrastructure; and**
- **Mexican companies are looking for construction technologies that can decrease construction time and cost but are adaptable to Mexican culture and taste.**

