

## CUSTOMERS

*Multinational corporations and large Mexican grupos, are the best prospects for equipment sales. Governments have become promoters rather than sponsors of infrastructure projects.*

Purchasers of environmental technologies in Mexico include: government agencies concerned with the environment; *paraestatales*, state-owned companies; and privately-owned industrial enterprises.

## GOVERNMENT ENVIRONMENTAL AGENCIES

Governments and government agencies have traditionally been the most important buyers of environmental equipment in Mexico. Government expenditures for environmental protection totalled US \$2.5 billion in 1993. More than one-third of these expenditures were allocated to mass transit and clean fuel programs. Another third was for conservation and protection of endangered species. The remaining third was devoted to environmental infrastructure, water facilities and other equipment.

Since 1991, many environmental activities have been decentralized to Mexico's 31 states. Twenty-nine states have their own environmental laws. State and municipal organizations are now the biggest buyers of water supply and wastewater projects as well as solid waste systems. Recent budget limitations have forced the states and municipalities to consider build-operate-transfer (BOT) and other investment-based financing arrangements. This has opened new opportunities for foreign environmental firms, typically in partnership with Mexican construction companies.

Under the former government of Carlos Salinas, environmental expenditures were coordinated through major national programs, in particular the *Programa Nacional de Protección Ambiental*, National Program for Environmental Protection. A separate program concerned itself with pollution prevention in the Valley of Mexico. The *Programa de las 100 Ciudades*, 100 Medium Cities Program, concentrated on infrastructure development. The *Programa Nacional de Agua Potable para Zonas Rurales*, National Program for Water Supply in Rural Areas, was managed by the *Comisión Nacional del Agua (CNA)*, the National Water Commission.