

Technology financing from other foreign suppliers is extremely competitive. Several sources mentioned that German and Japanese companies are providing 10 year terms at 3 to 4% annually (dollar terms).

NAFINSA — the Mexican industrial development bank — offers financing for environmental improvement programs. The bank will finance up to 80% of purchases under \$US 1 million, or 50% of totals above that level. Although financing rates are reduced, interest charges of over 20% (peso terms) still apply. Some restrictions apply.

Things to Consider

Several points are critical in the development of an entry strategy. Canadian companies are well advised to give each of the following factors serious consideration:

- Companies wishing to be successful in the Mexican market for wastewater goods and services will need a local market presence, preferably a partner;
- Industry specific experience is a strong benefit in dealing with Mexican customers. In contrast, proven technology is a requirement;
- Awareness is key. The market for wastewater technology is not highly concentrated or controlled by one firm. Canadian companies will need to promote heavily; and
- After sales service is critical.