

4.3 Canadian and Other Foreign Competitors in India

The newly liberalized business and trade environment has opened India's markets to foreign suppliers. Several major industrialized countries are among the largest suppliers of technology. Market share by country is as follows:

Country	Market Share (%)
The United States	10
Germany	8
Japan	7
United Kingdom	6

In the arena of environmental technology, Western European countries were quick off the mark. Germany, the United Kingdom, and Switzerland now lead the pack, closely followed by the Netherlands. European firms identified India as an important emerging market in the 1980's. Through historical connections, and a substantial investment of time and money, European companies have made some inroads into India's environmental marketplace.

The major emerging market force is the US. While starting later than others, US companies have been aggressively targeting Indian markets, generally in joint ventures with domestic firms. For example, there are over 25 Memorandums of Understandings (MOU's) between Indian and US companies valued at nearly \$1 billion to further Indo-U.S. cooperation in the development of renewable energy technologies in India. The US market presence has yet to pay significant dividends.

Canadian environmental companies have begun to enter the Indian market. Some companies have been active for the last 8-10 years. The market presence of Canadian environmental companies is focused on niche markets, or specific project opportunities. This is a logical approach and Canadian companies should not seek to take foreign competitors head on. There is a large enough market in India, and Canadian firms can carve out specific opportunities.

4.4 International Financial Institutions and Official Development Assistance Agencies

India's environmental market development relies on extensive support from International Financial Institutions (IFIs), and Official Development Assistance (ODA) agencies. The World Bank, the Asian Development Bank (ADB) and International Finance Corporation (IFC) are very active in India, providing grants, equity and debt financing for environmental enterprises and projects. The Canadian International Development Agency (CIDA) is of primary importance to Canadian firms. There is also a significant ODA presence from Japan, USAID, Western European and Scandinavian countries.