

The *Ley de Inversión Extranjera*, Foreign Investment Law of 28 December 1993, greatly expanded opportunities for foreign investors. In most cases, 100 percent foreign investment in chemical operations is allowed. The regulations concerning privatized petrochemical facilities previously owned by *Petróleos Mexicanos (Pemex)*, the national oil company, are in a state of flux, but these plants are likely to be restricted to 49 percent foreign ownership.

## MARKET ENTRY STRATEGIES

Most chemical products are sold through agents or distributors. The trade liberalization beginning in the late 1980s put competitive pressure on this system and encouraged the development of more cost-effective distribution channels. Buyers and sellers have been forced to seek out new, more efficient lines of supply. This has created opportunities for companies that were previously unknown in the Mexican market. On the other hand, chemical industry experts say that Canadian enterprises are almost unknown in the country. This implies that more aggressive promotion could help Canadian companies to establish a foothold in this market. Joint ventures with established Mexican producers are another way to gain market access.

Many Canadian companies that succeed in Mexico, make their first contacts with potential customers or partners at industry trade shows. Major annual shows include:

- *Petro y Chem México*. The petrochemical show is held annually in October at the World Trade Centre in Mexico City.
- *Exposición Internacional Ecología Industrial*. The second exposition, covering environment and

industry, was held in Mexico City in April 1996.

- *WTC Expo Internacional*. This industry, commerce and services show was held at the World Trade Centre in Mexico City in April 1996.
- *Enviro-Pro Expo/Tecomex '96*. This environmental exposition and conference was held in September 1996 at *Palacio de los Deportes*.

## KEY CONTACTS

### CANADA

#### Canadian Government

#### Department of Foreign Affairs and International Trade (DFAIT)

DFAIT is the Canadian federal government department most directly responsible for trade development. The **InfoCentre** should be the first contact point for advice on how to start exporting. It provides information on export-related programs and services, acts as an entry point to DFAIT's trade information network, and can provide copies of specialized export publications and market information to interested companies.

#### InfoCentre

Tel.: 1-800-267-8376 or (613) 944-4000  
Fax: (613) 996-9709  
FaxLink:\* (613) 944-4500  
InfoCentre Bulletin Board (IBB):  
Tel.: 1-800-628-1581 or (613) 944-1581

Internet:  
<http://www.dfait-maeci.gc.ca>

\*FaxLink is a faxback system which provides summaries on a range of Mexican markets. It must be contacted through your fax machine. Dial from your fax phone and follow the voice prompt instructions.

**The Trade and Economic Division of the Embassy of Canada in Mexico** can provide vital assistance to Canadians venturing into the

Mexican market. The trade commissioners are well-informed about the market and will respond in whatever measures possible to support a Canadian firm's presence in Mexico.

#### Trade and Economic Division

The Embassy of Canada in Mexico  
Schiller No. 529  
Col. Polanco  
11560 México, D.F.  
México  
Tel.: (52-5) 724-7900  
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#### Canadian Consulate

Edificio Kalos, Piso C-1  
Local 108-A  
Zaragoza y Constitución  
64000 Monterrey, Nuevo León  
México  
Tel.: (52-8) 344-3200  
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#### Canadian Consulate

Hotel Fiesta Americana  
Local 30-A  
Aurelio Aceves No. 225  
Col. Vallarta Poniente  
44110 Guadalajara, Jalisco  
México  
Tel.: (52-3) 616-6215  
Fax: (52-3) 615-8665

**International Trade Centres** have been established across the country as a convenient point of contact to support the exporting efforts of Canadian firms. The centres operate under the guidance of DFAIT and all have resident trade commissioners. They help companies determine whether or not they are ready to export, assist firms with market research and planning, provide access to government programs designed to promote exports, and arrange for assistance from the trade commissioners in Ottawa and trade officers abroad. Contact the International Trade Centre nearest you.

**World Information Network for Exports (WIN Exports)** is a computer-based information system