

The trend towards integrated solutions creates a competitive advantage for larger firms and is putting pressure on smaller companies to form joint ventures. Increasingly, the successful suppliers are those who can cover the entire process from environmental audits to turnkey construction, including facility management and client training. Companies with sophisticated engineering departments try to apply their own technologies first, and then go to specialized foreign providers for specific technologies.

THE TREND TOWARDS INTEGRATED SOLUTIONS US \$ MILLIONS, 1994

	Traditional	Non-traditional	Total
Market opportunity	Product and technology oriented	BOTs¹, O&M², and other investment-oriented packages	
Wastewater (excluding PEMEX BOTs)	311.0	530.0	841.0
Air pollution	30.4	330.0	360.4
Solid and hazardous waste	60.5	250.0	310.5
Total	401.9	1,110.0	1,511.9

¹ BOT: build-operate-transfer

² O&M: operate and maintain

Source: United States Agency for International Development (USAID), 1995.

PRODUCT OPPORTUNITIES

In the early stages of Mexico's program to transform its environment, the biggest opportunities were in services such as engineering and design, environmental assessment and training. Demand has now begun to increase for measurement and analytical equipment, and laboratory services. As the program matures, demand will shift towards the supply of environmental control equipment, especially integrated packages.