DOING BUSINESS IN MEXICO

Population 131.9 M I GDP Growth 0.8% (2025) I GDP PC $22K (PPP) | Total Still Wine Imports 5M 9 ltr cs

Latin America's #2 economy and the top US food & ag export market ($30.6B in 2025). Wine is one of Mexico's fastest-maturing categories: per-capita consumption has nearly tripled in two decades and imports supply 70% of demand. USMCA keeps California wine duty-free, and a firm peso (MXN 18 per US$) supports imported-premium purchases.

Wine in Mexico

Total Addressable Market

Mexico Still Wine Imports of 5M 9 ltr cs lead by Chile 2.1M cs (+9%), Spain 1.5M cs (-8%), Argentina 700K cs (-11%) and US wines 275K cs (-11%). Mexico is the 9th-largest US wine export market.

Consumption Trends

Red wine is 71% of consumption, led by Millennials and Gen X in CDMX, Monterrey, Guadalajara and Cancún; proud domestic producers are lifting the whole category.

Still Wine: Selected New World Wine Varietals

000s 9-litre Cases

Category	2024	2025	Market Share 2025	CAGR 2024–25	CAGR 2020–25
- Cabernet Sauvignon	683.44	750.76	23.9%	9.9%	15.1%
- Merlot	444.92	353.28	11.3%	-20.6%	0.9%
- Malbec	502.16	330.78	10.6%	-34.1%	15.1%
- Sauvignon Blanc	183.26	217.25	6.9%	18.5%	11.8%
- Chardonnay	144.86	142.76	4.6%	-1.4%	12.1%
- Carménère	81.56	67.56	2.2%	-17.2%	-4.0%
- Shiraz/Syrah	77.72	54.83	1.7%	-29.5%	-3.8%
- Pinot Gris/Pinot Grigio	48.80	46.69	1.5%	-4.3%	-2.6%
- Zinfandel	18.21	16.60	0.5%	-8.8%	-4.6%
- Pinot Noir	10.74	12.16	0.4%	13.2%	0.0%
- White Zinfandel	14.00	12.00	0.4%	-14.3%	-3.0%
- Chenin Blanc	2.28	1.72	0.1%	-24.6%	5.6%
- Pinotage	0.06	0.33	0.0%	450.0%	1.3%
- Other Varietals	865.74	1,125.28	35.9%	30.0%	-1.5%

Source: IWSR

*https://openfactbook.org/ ; INEGI ; UN Comtrade (trendeconomy.com) ; OIVE / Mexican customs

Trading Notes for Wineries

Off-premise (77% of volume) leads: Walmart de México, Soriana, Chedraui, La Comer/City Market, HEB and club stores (Costco, Sam's Club) drive volume, while specialty chains (La Europea, La Castellana, Vinoteca) and department stores (Liverpool, El Palacio de Hierro) curate premium ranges. E-commerce is growing fast.

On-premise (23% of volume) is a powerful brand-builder: 45M international visitors (2024), a world-class CDMX dining scene, and resort hubs (Cancún/Riviera Maya, Los Cabos, Puerto Vallarta) where US travelers already ask for California wine.

Market Insights

- USMCA gives California wine 0% import duty (vs. 20% MFN) with proof of origin; the July 2026 joint review left the agreement in force, now with annual reviews.
- Spain (25%), France (21%), Italy (19%) and Chile (16%) lead by value; the US holds 7.6% - real headroom given proximity, brand familiarity and close US-Mexico ties.
- Chile is winning volume at lower price tier, while California's sweet spot is the premium tier, where varietal quality, storytelling and sustainability justify price.
- IEPS (26.5% up to 14% ABV; 30% above 14%) plus 16% IVA apply equally to domestic and imported wine; the government confirmed no IEPS changes for 2026.
- Watch ABV: many California reds exceed 14%, triggering the higher 30% IEPS bracket - plan pricing and labels accordingly.
- Importers like La Europea, La Castellana and Vinoteca anchor national distribution and can host trade tastings and sommelier education.

Taxes, Shipping and Terms

- Under USMCA, California wine enters duty-free (IGI = 0%; 20% MFN without proof of origin).
- Taxes are assessed on the customs (CIF) value, converted to pesos (~MXN 18.05 = US$1, Oct 2026).

- A. Special Tax on Production & Services (IEPS)
- Wine up to 14% ABV: 26.5%; over 14% to 20% ABV: 30%
- Ad valorem on CIF + duty; no changes for 2026

- B. Value-Added Tax (IVA)
- 16% standard rate
- Calculated on CIF + Duty + IEPS; IEPS/IVA creditable along the chain (ladder below is conservative)

- **<u>Regulatory Compliance and Barriers</u>**
- USMCA certification of origin required for zero duty
- Importer must be in the Padrón de Importadores and the alcoholic-beverage sectoral registry; marbetes (fiscal stamps) on each bottle
- Spanish labeling per NOM-199-SCFI-2017 / NOM-142-SSA1/SCFI-2014 (importer, ABV, health warning)
- Certificate of analysis and free sale; COFEPRIS oversight

Notable Importers

Grupo La Europea
La Castellana
Vinoteca de México
Consuvino (Monterrey)
Costco / City Market
Marinter SA
Bodegas Alianza
ECM de Vinos

Pricing Guidelines for Importers

		$1.00	MXN 18.05
Tax Component	**Calculation Formula**	**USD**	**MXN**
CIF Value	Cost + insurance + freight	$10.00	180.50
IGI (Import Tariff)	$10.00 x 0% (USMCA)	$0.00	0.00
IEPS (Special Tax) 26.5%	$10.00 x 26.5% (wine up to 14% ABV)	$2.65	47.83
IVA Tax Base	CIF $10.00 + IEPS $2.65	$12.65	228.33
IVA (VAT) 16%	$12.65 x 16%	$2.02	36.46
Total Taxes at Customs	IGI $0 + IEPS $2.65 + IVA $2.02	$4.67	84.29
Landed Cost at Customs	CIF + Total Taxes	$14.67	264.79
Local Port and Logistics	Broker, DTA fee, marbetes, transport	$1.00	18.05
Landed at Warehouse	Landed Cost + Logistics	$15.67	282.84
Distributor Margin	35% on selling price	$8.44	152.30
List Price	Warehouse cost + Distributor Margin	$24.11	435.14
Retailer Margin	30% on selling price	$10.33	186.49
Final Consumer Shelf Price	List Price + Retailer Margin	$34.44	621.63

Tables and Tax information serve as directional reference per market that are subject to changes and updated by each country throughout the year. Contact your local importer for up-to-date information.

Price Tiers

Category	2024 (000s 9L Cases)	2025 (000s 9L Cases)	Market Share	CAGR 2024–25	Price Range MXP$
Still Wine	**8,562.00**	**8,311.50**	**100.0%**	**-2.9%**	
Prestige-Plus	9.73	9.43	0.1%	-3.1%	Over 9,900.01
Prestige	33.04	30.92	0.4%	-6.4%	4,026.86 to 9,900.00
Ultra-Premium	74.69	72.18	0.9%	-3.4%	2,308.80 to 4,026.85
Super-Premium	188.02	184.55	2.2%	-1.8%	1,149.37 to 2,308.79
Premium	955.55	893.00	10.7%	-6.5%	600.00 to 1,149.36
Standard	1,942.27	1,814.97	21.8%	-6.6%	296.25 to 599.99
Value	3,823.45	3,861.45	46.5%	1.0%	136.19 to 296.24
Low-Price	1,535.25	1,445.00	17.4%	-5.9%	136.18 and under

Cultural Awareness and Considerations

- Relationships come first: Mexican partners value face-to-face meetings, trust and long-term commitment - plan regular visits and in-market tastings.
- Think regionally: CDMX, Monterrey and Guadalajara behave like distinct markets; resort corridors (Cancún, Los Cabos) need dedicated hospitality partners.
- Mexico's own wine renaissance (400+ wineries, Valle de Guadalupe) is building curiosity - position California as a premium, food-friendly neighbor.
- Spanish-language storytelling, sommelier education and social media resonate strongly with younger urban wine drinkers.

Contact Information

Juan Botero
Director LATAM & Caribbean
jbotero@wineinstitute.org
786.488.9116

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