

Mexico's Packaging Machinery Market Outlook and Trends



The Association for Packaging
and Processing Technologies

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About This Research

This report was produced by MILA (Market Intelligence Latin America) for PMMI, The Association for Packaging and Processing Technologies. The research was conducted between January and April 2026.

Methodology

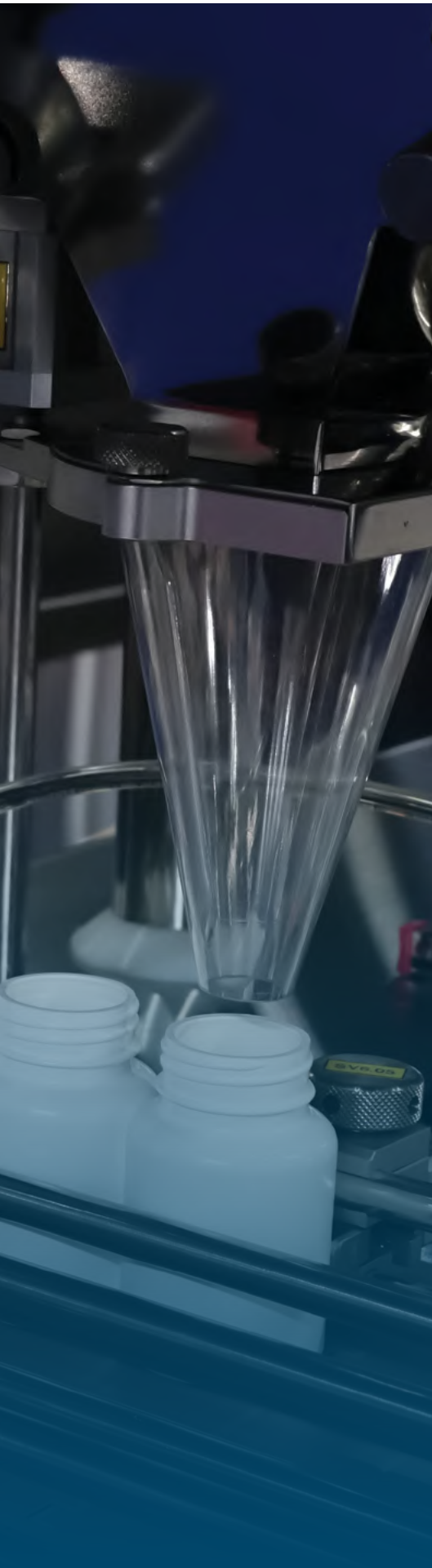
Survey: 106 completed responses from packaging machinery users (CPG companies) across food, beverage, pharmaceutical, personal care, and other sectors. Distributed January–February 2026.

Trade Statistics: Full-year 2025 packaging machinery import data (HS 8422) by importing company, sourced from Mexican customs authorities.

In-Depth Interviews: 40+ interviews with CPG executives, packaging machinery distributors, manufacturer representatives, and industry chamber officials. Conducted January–April 2026.

Economic Data: Banco de México (Banxico), INEGI, BBVA Research, IMF, CONASAMI, ANTAD.

Regulatory Analysis: Ley General de Economía Circular (DOF, January 19, 2026); USMCA review documents; chambers and associations industry projections.



CONTENTS

6 • EXECUTIVE SUMMARY

8 • MEXICO'S ECONOMIC & POLITICAL ENVIRONMENT

- 9** GDP & Growth
- 9** Inflation & Interest Rates
- 10** Minimum Wage: The Automation Driver
- 10** Remittances & Social Programs; Demand drivers
- 11** Foreign Trade
- 12** Political Environment

13 • MEXICO'S PACKAGING MACHINERY MARKET

- 14** Record Number of Importers
- 15** Sector Distribution
- 16** Geographic Origin of Imports
- 16** Primary vs. Secondary Packaging

17 • THE GROWTH PARADOX — WHY MACHINERY DEMAND DEFIES THE ECONOMY

- 18** Sector-Level Performance Divergence

20 • SURVEY AND INTERVIEWS FINDINGS — WHAT CPGS ARE DOING

- 21** What's Driving Investment
- 22** Operational Challenges
- 23** Technology Adoption & Automation Readiness
- 24** Sustainability Priorities
- 24** Processing Equipment Investments and Plans for 2026

25 • THE CIRCULAR ECONOMY LAW — A STRUCTURAL MARKET CATALYST

- 26** What the Law Requires
- 26** Impact on Packaging Machinery Demand

28 • MAJOR INVESTMENT ANNOUNCEMENTS — A \$12-18 BILLION PIPELINE

33 • AI & TECHNOLOGY — THE NEXT COMPETITIVE FRONTIER

- 33** Five High-Impact AI Applications
- 33** The AI Readiness Gap

34 • MARKET OUTLOOK 2026–2027

36 • RECOMMENDATIONS FOR PMMI MEMBERS



Executive Summary



Mexico's packaging machinery market reached an estimated US\$1.4 billion in 2025 marking its fifth consecutive year of growth, and a near-doubling from 2021 levels. Import data alone shows US\$1.27 billion in 2025 (+18% vs. 2024), with a record 1,432 companies importing packaging machinery. This remarkable performance came despite Mexico's GDP growing at a modest 0.7% while gross fixed capital investment posted a 5.7% contraction.



\$1.27B

Packaging machinery imports
— 2025 (record)

+18%

Year-over-year growth vs. 2024

1,432

Importers — record number

The market is propelled by structural forces that are largely independent of short-term GDP performance: a doubling of Mexico's minimum wage over five years driving automation investment; an explosion of SKUs and smaller product presentations; exports and nearshoring-linked production investments; and a new regulatory imperative in the form of Mexico's Circular Economy Law (enacted January 2026).

Our survey of 106 CPG companies confirms the bullish sentiment: 71.3% increased packaging machinery investment in 2025, and demand capacity expansion, new product lines, and automation top the list of investment drivers for 2026.

Key Findings at a Glance

Market virtually doubled in five years: \$644M (2021) → \$1.27B (2025 imports) → ~\$1.4B total.

71.3% of surveyed CPGs increased investment in 2025; 54.9% plan additional processing equipment in 2026.

Food (26.2%) and Beverages (22.7%) lead demand, with Personal Care surging to 16.5%.

The Circular Economy Law (Jan. 2026) is a game-changer: CANAINCA projects +30% more machinery investments resulting from add equations for environmental-friendly packaging.

AI and automation: Vision systems (63.2%), predictive maintenance (55.3%), and industrial robots (51.3%) lead near-term adoption interest.

Over \$12 billion in announced investments by food, beverage, pharma, and personal care companies signal robust 2026–2027 pipeline.

Key risk: USMCA renegotiation, peso volatility, and declining remittances could temper growth in late 2026

Forecast: Market projected to reach \$1.35–1.45B in imports for 2026, with the circular economy law acting as an additional upside driver.

▼ 52.7468



Mexico's Economic & Political Environment

▼ 70.262

35



▼ 57.0

▼ 25.12

462

46.8452

26.4732

▼ 11.0002

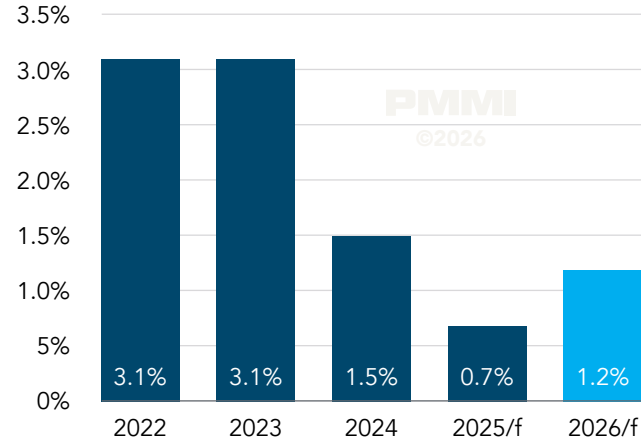
MEXICO'S ECONOMIC & POLITICAL ENVIRONMENT

Understanding the macroeconomic landscape is essential for interpreting Mexico's packaging machinery market. Several indicators point in opposite directions which is precisely what makes this market so analytically interesting.

GDP & Growth

Mexico's economy grew an estimated 0.7% in 2025, a significant deceleration from 1.5% in 2024 and 3.1% in 2023. The slowdown reflects weaker public investment (-4.8% in 2024), a sharp contraction in machinery and equipment spending (-9.0% in 2025), and uncertainty around USMCA renegotiation. BBVA Research projects a recovery to approximately 1.2% in 2026, supported by a gradual improvement in private consumption and some investment recovery. Mexico's Central Bank is even more optimistic predicting 2.1% growth.

Mexico GDP Growth 2022 -2026/f

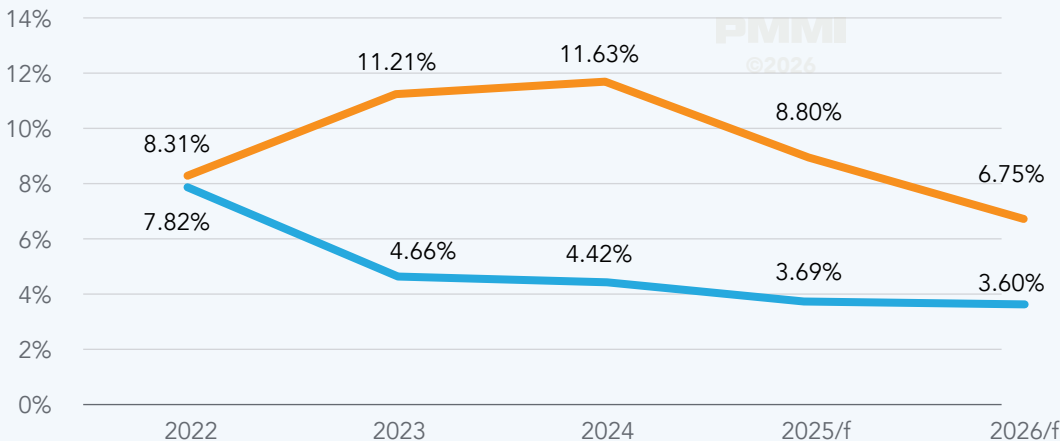


Source: Mexico's Central Bank 2026, forecast 2026 BBVA research.

Inflation & Interest Rates

Inflation has followed a positive downward trajectory: from a peak of 7.82% in 2022 then 3.6% in 2025, approaching Banxico's 3% target. In response, Banco de México has been progressively cutting rates from a high of 11.25% in 2023 toward 6.75% in 2026. This easing cycle improves financing conditions for equipment purchases — a tailwind for the packaging machinery market as investment decisions become less capital-constrained.

Inflation & Avg Interest Rates



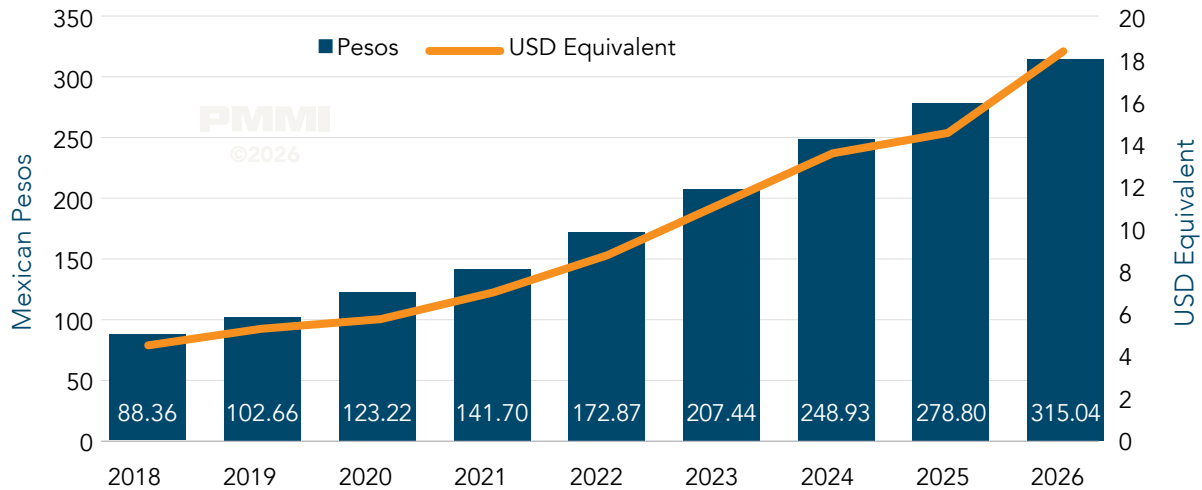
Source: Mexico's Central Bank 2026, forecast 2026 BBVA research

— Inflation — Avg. Interest Rate

Minimum Wage: The Automation Driver

Perhaps no single economic factor explains the packaging machinery boom more than Mexico's minimum wage trajectory. Since 2018, the daily minimum wage has risen more than 3.5x from \$88.36 pesos to \$315.04 pesos in 2026. Union-negotiated wages in manufacturing have followed, amplifying the effect across the workforce. For consumer goods manufacturers, this structural labor cost increase has made the ROI calculation for automation equipment significantly more compelling.

Mexico's Minimum Wage Avg (per day) 2018-2026



Source: CONSAMI, 2026 Avg. Exchange Rates Banco de México



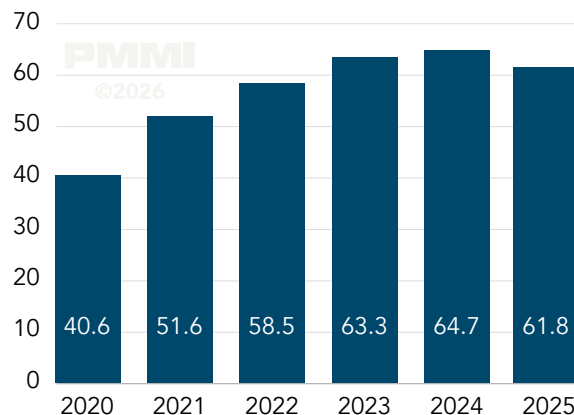
The minimum wage increase has been the single biggest driver of automation in our plants. Every year it becomes more economically rational to automate tasks we used to do manually."

— CPG Executive, Food Sector

Remittances & Social Programs; Demand drivers

Remittances from Mexicans abroad, predominantly from the United States, reached a record \$64.7 billion in 2024, representing roughly 3.5% of GDP. This income, which in majority flows directly into household spending on food, beverages, pharmaceuticals, and personal care products, has historically been a strong driver of consumer products demand. A 4.6% decline in 2025 (to approximately \$61.8 billion) is a cautionary signal, particularly if US economic conditions or immigration enforcement continue to affect the diaspora workforce.

Remittances (in billion US\$)

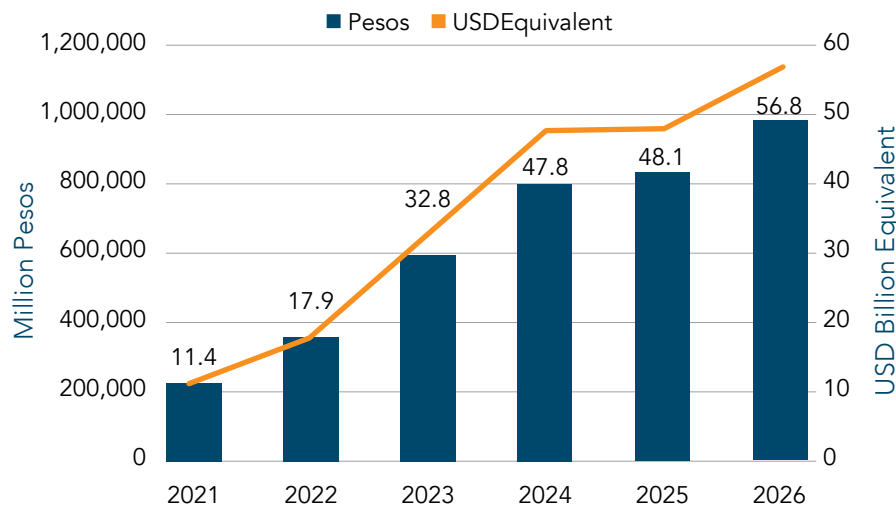


Source: Mexico's Central Bank 2026

Mexico's expanding social spending has emerged as a meaningful tailwind for packaged-goods consumption and, by extension, for packaging machinery demand. Federal outlays on the country's flagship social programs (Programas para el Bienestar) reached roughly MXN 835.5 billion (~USD\$ 48.1 billion) in 2025. 2026 Federal budget social programs funds are slated to climb to nearly MXN 987.2 billion (~USD\$ 56.8 billion) in 2026, an 18% nominal increase.

These social programs provide cash directly to lower- and middle-income households, segments with a high marginal propensity to spend on staples such as packaged foods, beverages, pharmaceuticals, personal care items, and basic household goods. As these transfers have scaled up year after year; consumer-goods producers have responded with higher production volumes, broader SKU portfolios, and smaller, more affordable pack formats tailored to this consumer base.

Social Programs Spending 2021 - 2026

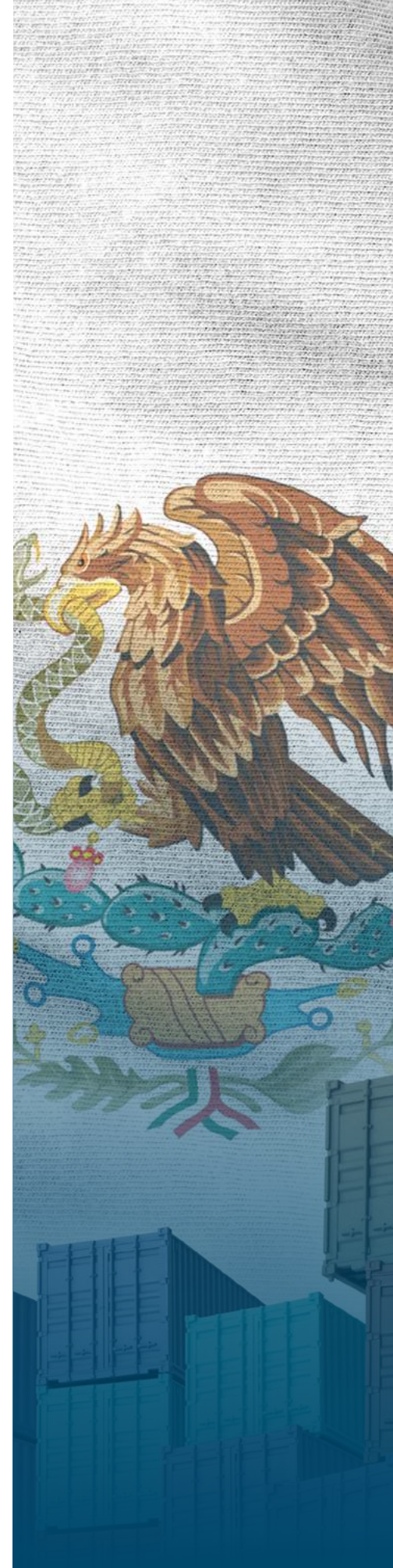


Source: MILA with information from Federal Budgets and yearly average exchange rates.

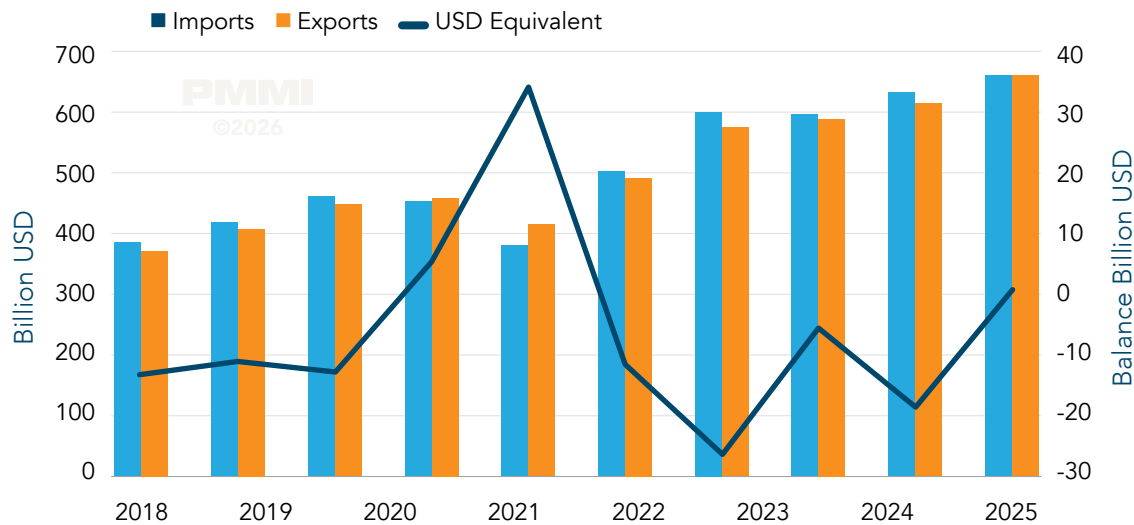
Foreign Trade

Foreign trade is a structural driver of Mexico's packaging machinery market. Total trade has expanded sharply over the past decade, with imports rising from roughly USD\$ 385 billion in 2016 to about USD\$ 665 billion in 2025, and exports climbing in near-lockstep to a similar level, this sustained two-way growth translates directly into demand for packaging equipment.

On the export side, Mexican consumer packaged goods such as beverages, baked goods, confectionery, snacks, sauces, and prepared foods continue to gain shelf presence abroad, particularly in the U.S. This is reinforced by the import side: large volumes of U.S. corn, wheat, pork, and beef flow south as bulk commodities and are then milled, processed, and packaged within Mexico for domestic consumption and re-export. The net effect is that Mexico increasingly operates as a packaging and value-added processing hub for the North American food system, sustaining steady investment in modern, higher-throughput packaging lines.



Foreign Trade 2015-2025



Source: Mexico's Central Bank 2026

Political Environment

President Claudia Sheinbaum, who took office in October 2024, has pursued economic policies broadly beyond those of her predecessor's pro-industrialization agenda. President Sheinbaum launched the "Plan México", a government initiative to boost domestic manufacturing and reduce import dependency, has spurred announced investments exceeding \$12 billion in the consumer goods sectors most relevant to packaging machinery.

The governing Morena party's supermajority has enabled legislative agility, evidenced by the rapid passage of the Circular Economy Law which is expected to have significant impact in packaging machinery demand. However, 2026 brings also a critical uncertainty: the renegotiation of the United States-Mexico-Canada Agreement (USMCA/T-MEC), which is subject to its mandatory six-year review. Any disruption, whether tariff threats or tightened rules of origin, could significantly affect Mexico's export-oriented manufacturing base and, by extension, demand for packaging machinery.

USMCA Watch: What's at Stake

83% of Mexico's total exports go to the United States; food and beverage sectors are heavily exposed

New US tariff threats: tariffs to specific agricultural products and "Trump effect" have already reduced agricultural trade surplus by 47% in 2024

Cattle/beef exports fell 21% (US border closure, screwworm); tomato exports fell 23% (US tariffs)

Renegotiation window: 2026 review triggers potential amendments to rules of origin, labor, and digital trade provisions

Despite risks, the US-Mexico bilateral trade relationship (\$839B in 2024) creates strong mutual dependency

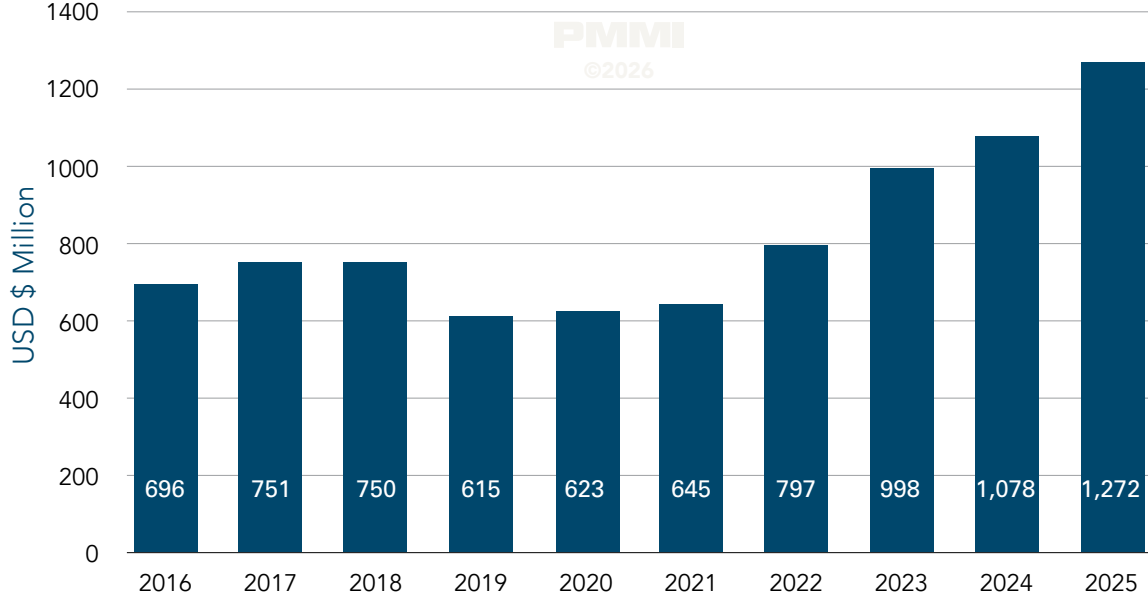


Mexico's Packaging Machinery Market



Mexico's packaging machinery import market has grown for five consecutive years, with 2025 marking the second year above \$1 billion and the first year above \$1.2 billion. Including domestically produced equipment, the total market is estimated at approximately \$1.4 billion — a figure that places Mexico firmly among the top packaging machinery markets in Latin America and the world.

Packaging Machinery Imports 2016-2025



Source: Mexico's Central Bank 2026

Five Years of Consecutive Growth

\$645M

2021 market size (imports)

\$1.08B

2024 — first year above \$1 billion

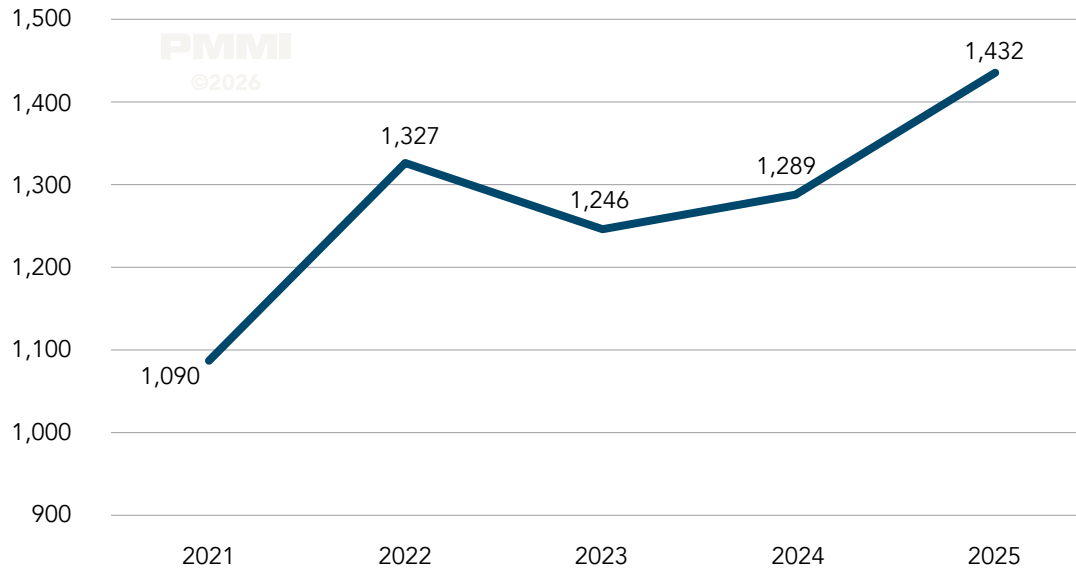
\$1.27B

2025 imports — record high

Mexico's packaging machinery import market has grown for five consecutive years, with 2025 marking the second year above \$1 billion and the first year above \$1.2 billion. Including domestically produced equipment, the total market is estimated at approximately \$1.4 billion — a figure that places Mexico firmly among the top packaging machinery markets in Latin America and the world.



Importers over \$100K



Source: MILA with customs data 2026

1,432
Total importers
— record (2025)

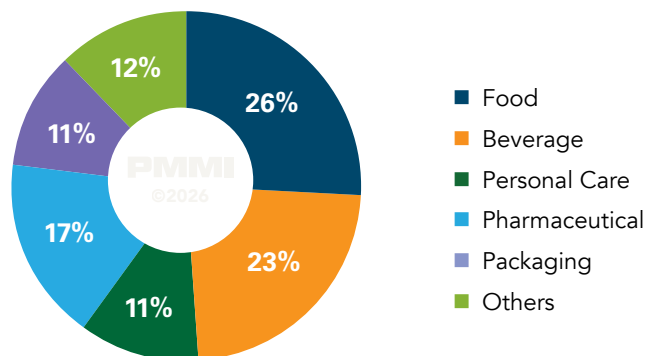
54
Companies investing >\$5M
(up from 32 in 2024)

59%
Market share: top
50 importers

Sector Distribution

Food manufacturing regained its position as the largest sector in 2025, capturing 26.2% of total import value, up from 20.2% in 2024. Personal Care/ Home Care made the most dramatic gain, rising from 4.8% to 16.5%, reflecting major announced investments by Unilever, Grupo Alen, Zobele, Grupo Grisi, and others. Beverages remained a close second at 22.7%.

2025 Packaging Machinery Imports by Sector

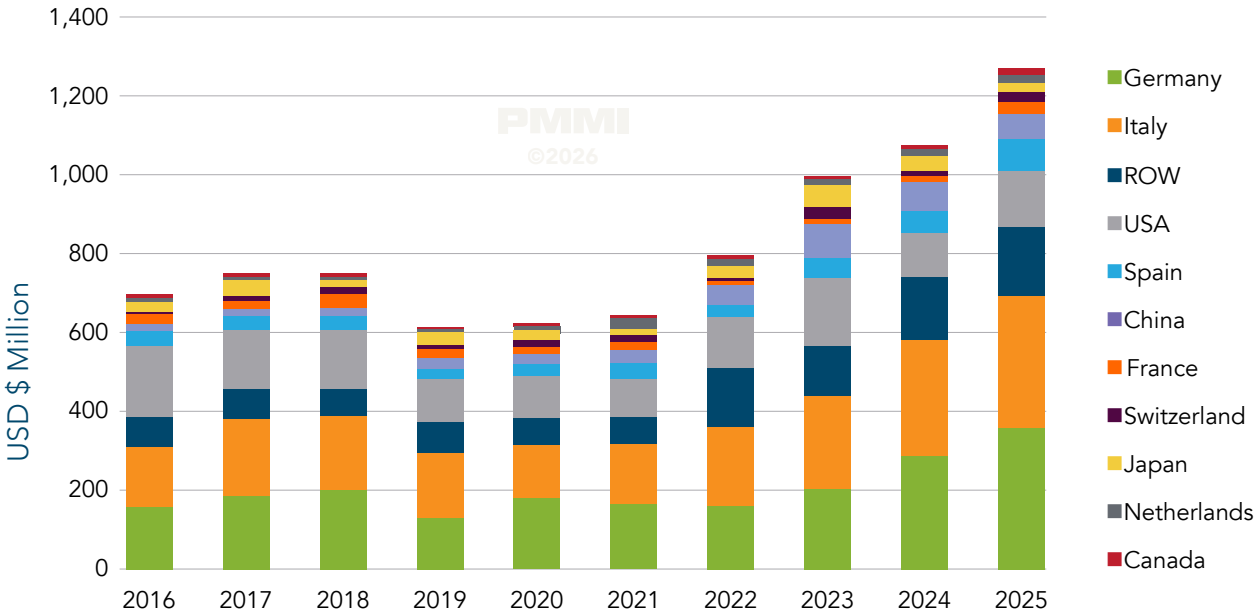


Source: MILA with customs data 2026

Sector	2025 Share
Food	26.2% (+6.0 pp vs. 2024)
Beverages	22.7% (-0.8 pp vs. 2024)
Personal Care/ Home Care	16.5% (+11.7 pp vs. 2024)
Pharmaceutical	11.3% (+3.9 pp vs. 2024)
Packaging Materials	11.4% (+1.0 pp vs. 2024)
Other	11.9% (-3.6 pp vs. 2024)

Geographic Origin of Imports

Packaging Machinery Imports by Origin 2016-2025



Source: MILA with data from Mexican Customs, 2025

Germany continued to lead as the largest source of packaging machinery imports, reflecting its dominance in primary equipment. Italy led in secondary packaging lines for food, beverage, and pharmaceutical applications ranking second in total supply. The United States and Spain follow, while China has been growing steadily as a lower-cost supplier for mid-range equipment. They still rank 5th as a packaging machinery supplier.

Primary vs. Secondary Packaging

Primary packaging machinery (HS 842230) showed particularly strong growth, rising 29.9% in 2025, three times the growth rate of secondary packaging (HS 842240, +9.1%). This reflects sustained investment in lines that directly interact with the product, a trend consistent with the emphasis on new product presentations, smaller SKU sizes, and packaging redesign. With Germany being a large supplier of primary packaging equipment, it also confirms the reason of their market leadership.



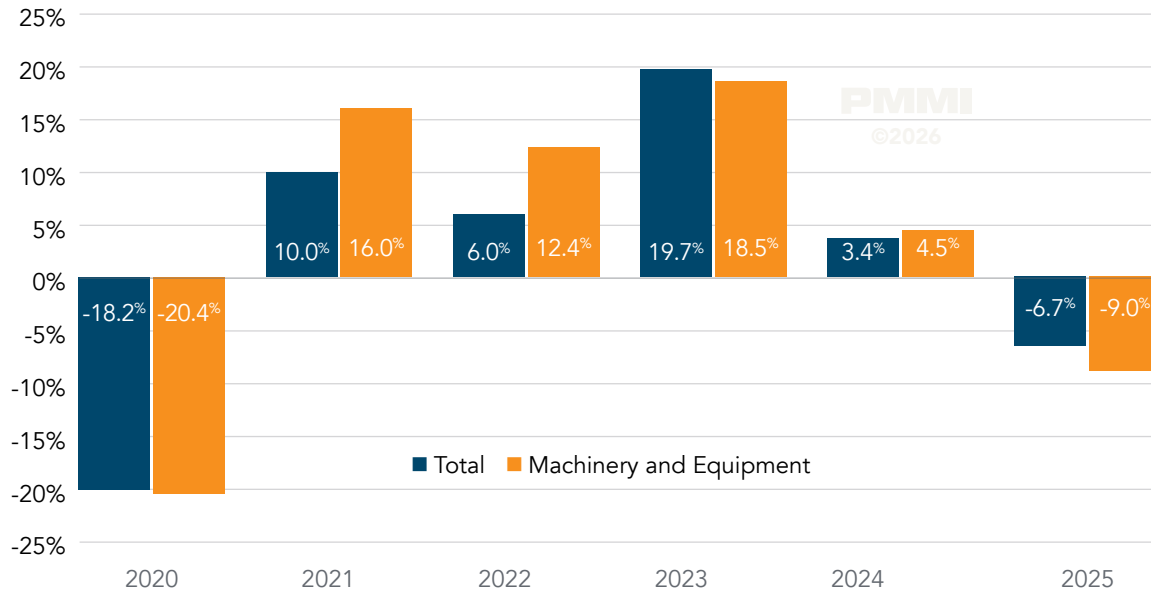
The Growth Paradox

Why Machinery Demand Defies
the Economy



One of the most striking features of Mexico's packaging machinery market is its apparent disconnection from conventional macroeconomic indicators. While GDP grew just 0.7% in 2025 and gross fixed investment contracted 6.7%, with its machinery and equipment subcomponent shrinking 9%, packaging machinery imports grew 18%. Understanding this paradox is central to forecasting the market.

Gross Fixed Capital Formation Index Change 2020-2025



The Six Growth Drivers

More SKUs, smaller presentations: Consumer preference for smaller, more frequent purchases multiplies the number of packaging lines required. CPGs launching new flavors, sizes, and bundles need dedicated or flexible equipment for each.

Labor cost escalation: Mexico's minimum wage has risen 3.5x since 2018. Union-indexed wages in manufacturing amplify this further. The ROI on automation equipment has improved dramatically, making capital investment a competitive necessity.

End-of-line & warehouse automation: Secondary packaging, palletizing, and warehouse operations that were traditionally manual are rapidly being automated. This represents the highest-growth equipment category.

Information technology & AI-driven SKU proliferation: Advanced analytics allow CPGs to increase efficiency and production, AI tools allow companies to identify region-specific demand patterns, driving differentiated product offerings and, consequently, more packaging lines.

Sustainable packaging transition: Existing machinery often cannot efficiently handle new mono-materials, recycled plastics, or paper-based alternatives. The Circular Economy Law (2026) dramatically accelerates this replacement cycle.

Nearshoring & foreign direct investment: Mexico's manufacturing base is expanding with relocating Asian and US manufacturers who require full packaging capabilities from day one.

Sector-Level Performance Divergence

The paradox becomes clearer when examining sector-level performance. While oil and gas, automotive, construction, and heavy manufacturing have stagnated or contracted, the sectors that buy packaging machinery have shown positive growth. Agro-industry grew +4%, beverages +3%, pharmaceuticals +5.3%, and personal care +6.1% in 2025. These sectors' resilience is driven by structural consumption trends such as population growth, rising incomes, premiumization, and health-consciousness that transcend short-term economic cycles.



There is lower demand for durable goods but people are spending more in basic goods such as food and beverages, with tight budgets consumers are seeking to buy smaller packages, to which CPGs are responding with smaller presentations, driving demand for new lines"

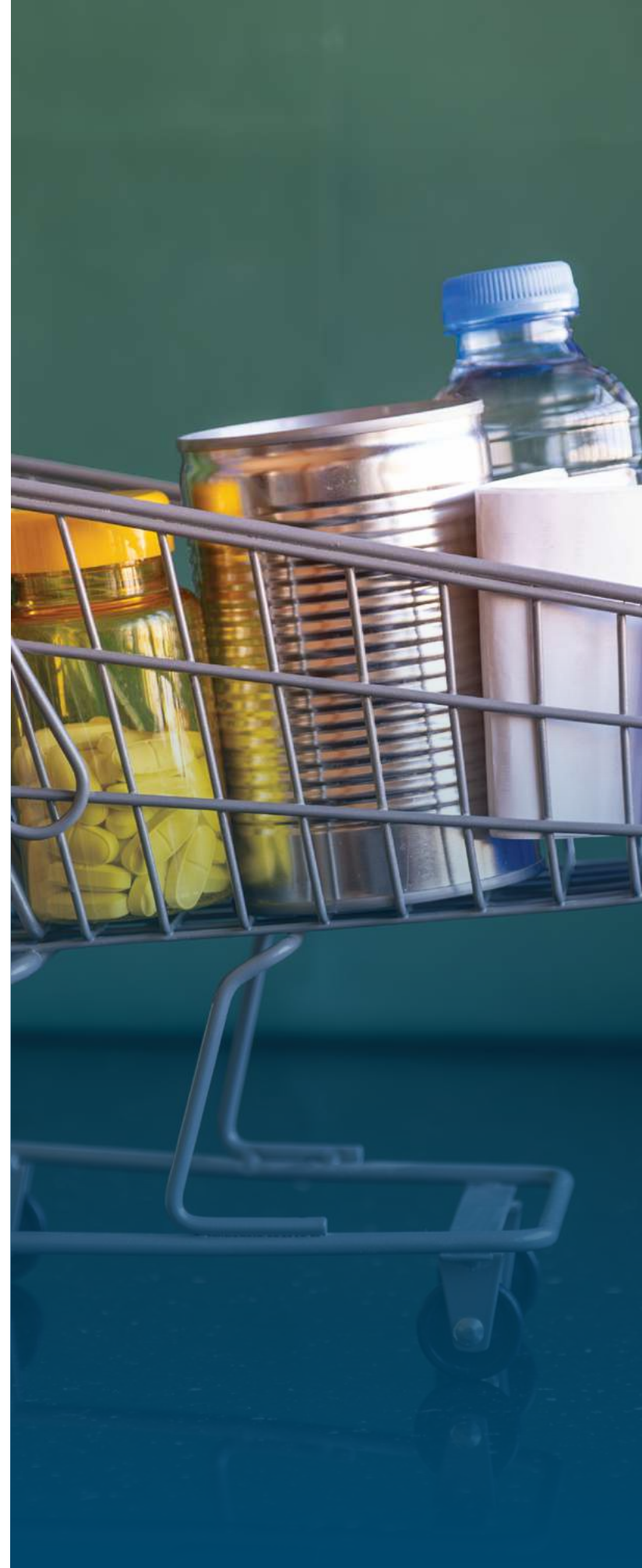
— **Preserved foods association,**
Director, Mexico City

Additionally, the explosive growth of discount retail, with BBB Foods (3B Stores) growing revenue 34% in 2025 and adding 574 new stores, and Walmart growing 11%, is driving demand for high-volume, low-cost packaged goods, which in turn requires more packaging capacity.



The sectors that buy packaging equipment are the most resilient in Mexico's economy. Food, beverages, pharmaceuticals — people don't stop buying these even when the economy slows. And they are buying more packaged formats, not less."

— **Packaging Machinery Distributor,**
Mexico City





Survey and Interviews Findings

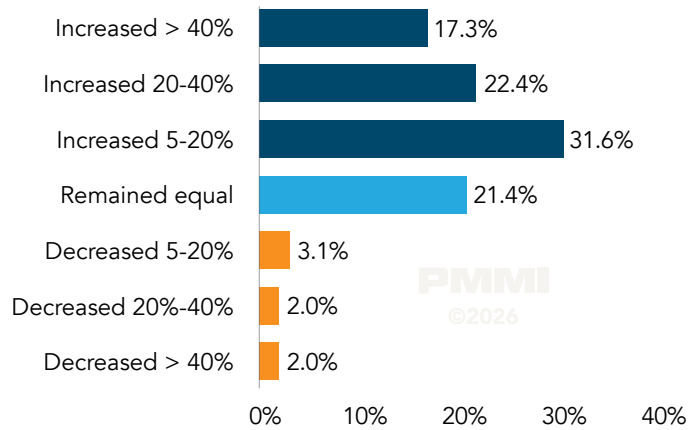
What CPGs Are Doing



PMMI's survey of 106 packaging machinery users and 40 interviews with companies and associations drawn from food, beverage, pharmaceutical, personal care, and household chemical sectors provides detailed insight into investment patterns, operational priorities, and technology adoption.

Investment Momentum

Investment Change in 2025 vs. 2024



Source: PMMI Mexico Market Survey 2026 – n=98 respondents

71.3%
of respondents
increased investment
in 2025

17.3%
increased by more
than 40%

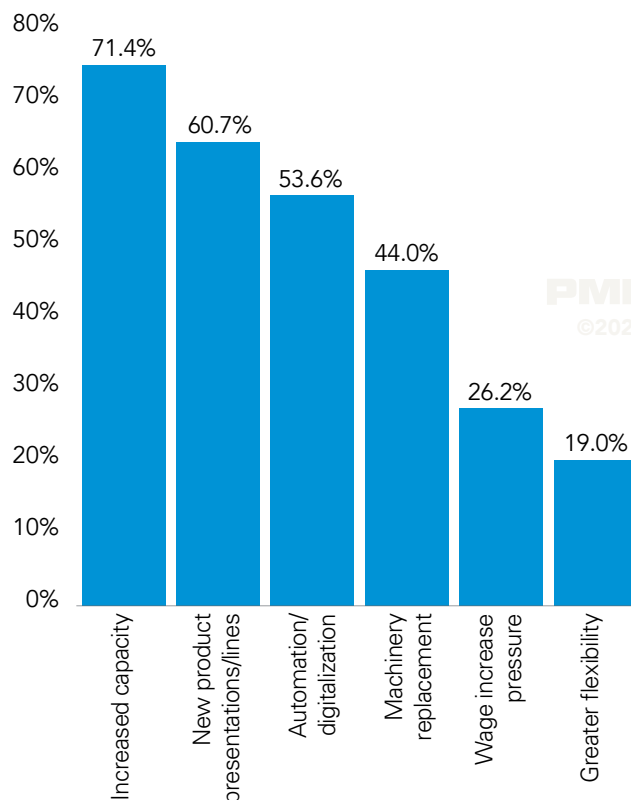
7.1%
Only decreased
investment

What's Driving Investment

Demand-driven capacity expansion leads all motivations (71.4%), followed by new product presentations and lines (60.7%), and automation/digitalization (53.6%). Machinery replacement, replacing obsolete equipment, comes in at 44.0%, with wage-driven automation increasingly a factor at 26.2%. Environmental policies and packaging changes already influence 18.3% of investment decisions, a figure expected to accelerate sharply with the Circular Economy Law.

Demand increases are primarily explained by the increase in purchasing power resulting from social programs and remittances inflows, which together represent USD\$118 billion, with a large part being spent on staples. Higher minimum wages and retail channels' growth also contribute to this demand growth.

Primary Investment Motivations - 2026 Plans



Source: PMMI Mexico Market Survey 2026 – n=98 respondents

Operational Challenges

Automation (38.9%) and productivity improvement (35.8%) top the list of operational challenges for the coming years, ahead of labor availability (24.2%), cost pressures (23.2%), and supply chain issues (21.1%). Sustainability appears as a challenge for 14.7% , a number that has increased and is expected to continue gaining importance, especially as the Circular Economy Law takes effect.

Motives for increasing automation are mainly due to increasing labor costs than labor availability. Companies interviewed concurred it increasingly makes sense to automate processes as ROI figures are increasingly attractive as a result of wage increases, union-related costs and the upcoming mandatory reduction of maximum working hours from 48 to 40 per week.

Top Operational Challenges 2026

Automation	38.9%
Productivity improvement	35.8%
Labor availability	24.2%
Cost pressures	23.2%
Supply chain issues	21.1%
Sustainability	14.7%

Source: PMMI Mexico Market Survey 2026 – n=95 respondents



Technology Adoption & Automation Readiness

Technology plays a fundamental role in new packaging machinery investments. Large companies increasingly use technologies such as Vision systems with AI, remote monitoring, robots and cobots, digital clones and utilize data to increase efficiency and productivity. Mid-sized and smaller companies also have a strong interest in technological advancements but many opt for installing sensors and custom-solutions rather than replacing old machinery.

Despite strong interest in automation, there is a notable preparedness gap with only 11.4% of respondents, mostly large companies, considering their operations "fully prepared" for automation, while 41.8% say they are "little prepared". This gap represents a significant commercial opportunity for machinery suppliers offering modular, phased automation solutions.

When asked about specific technologies for near-term adoption, AI-powered vision systems led with 63.2%, followed by AI for predictive maintenance (55.3%), industrial robots (51.3%), and collaborative robots or "cobots" (48.7%). In conversations with packaging machinery users, other technologies such as digital clones and remote monitoring solutions also were mentioned as highly relevant.

Automation Technologies: Near-Term Adoption Opportunities

Vision systems with AI	63.2%
AI for predictive maintenance	55.3%
Industrial robots	51.3%
Collaborative robots	48.7%
Autonomous guided vehicles	40.8%

Source: PMMI Mexico Market Survey 2026 – n=76 respondents, top 3 selected

82.7%

rate automation as highly relevant

41.8%

feel "little prepared" for full automation

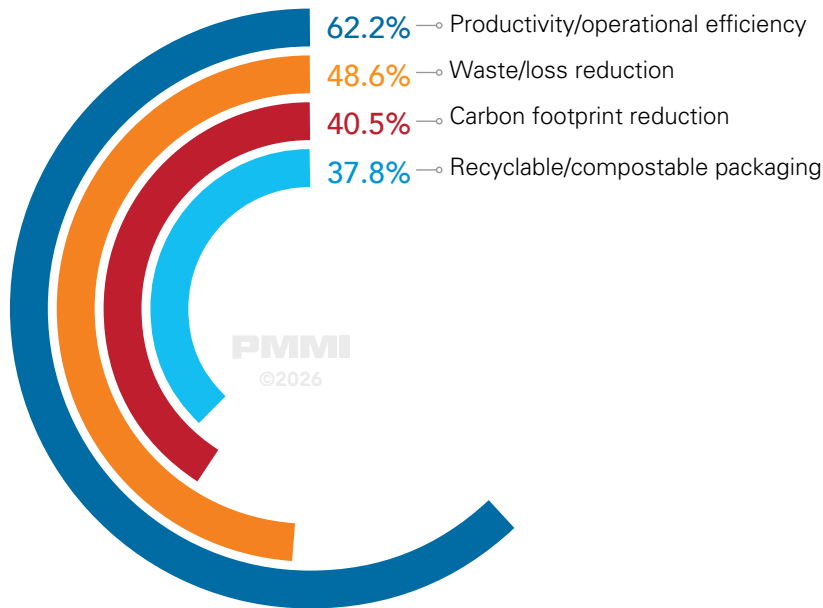
66.7%

consider they have semi-automated solutions

Sustainability Priorities

While sustainability plays an increasingly important role in packaging machinery investments, it still ranks lower compared to productivity/operational efficiency, savings, or other economic or competitive factors. When asked about sustainability factors influencing investment, increased productivity/operational efficiency (62.2%) and waste/loss reduction (48.6%) topped the list suggesting that the strongest sustainability case is still made through an operational efficiency lens. However, recyclable/compostable packaging compatibility (37.8%) and carbon footprint reduction (40.5%) are rapidly gaining ground as the Circular Economy Law creates mandatory rather than voluntary sustainability requirements.

Sustainability Investment Priorities — Survey Results



Source: Mexico Market Survey 2026 – n=74 respondents

28%

cite sustainability as a **KEY** investment criterion

58.7%

say it's partially influential

6.7%

say it's their **PRIMARY** driver

Processing Equipment Investments and Plans for 2026

An often-overlooked market opportunity: 54.9% of respondents plan to invest in processing equipment in 2026, not just packaging machinery. Another 31% had not yet defined their plans. Given the high correlation between processing and packaging investments (47.8% of respondents pursue integrated projects covering both), the processing equipment opportunity nearly mirrors the packaging machinery opportunity.



The Circular Economy Law

A Structural Market Catalyst



On January 19, 2026, Mexico published the Ley General de Economía Circular (General Circular Economy Law) in the Diario Oficial de la Federación. Enacted with unanimous congressional support, this landmark legislation creates the most significant regulatory shift in Mexico's packaging industry in decades and is expected to be a major additional driver of packaging machinery investment.

Implementation Timeline

Date	Description / Expected Date
January 20, 2026	Law enters into force
~July 20, 2026	Regulatory Decree due (180 days post-enactment)
~January 20, 2027	National Circular Economy Plan issued (additional 180 days)
2026–2028	Large consumer goods companies begin mandatory compliance
2028+	SMEs phased into compliance requirements

Impact on Packaging Machinery Demand

The Circular Economy Law creates machinery investment demand through two channels:

- 1 Packaging redesign, requiring new or reconfigured lines to handle mono-materials, recycled plastics, and paper-based alternatives
- 2 Traceability and reporting infrastructure, requiring traceability and thus integration of vision systems, data capture, and compliance monitoring on packaging lines

WHAT THE LAW REQUIRES

Key Provisions of Mexico's Circular Economy Law

Extended Producer Responsibility (EPR): Producers must register in the National Circular Economy Registry and assume responsibility for their products' entire lifecycle including packaging after consumer use.

New Labeling Requirements: All product labels must indicate estimated useful life, repairability level, and environmental footprint of packaging.

Mandatory reduction of virgin materials: Companies must replace virgin plastic inputs with secondary (recycled) materials, directly impacting packaging design and line compatibility.

National Circular Economy Seal: Certified products gain a government-endorsed sustainability seal, a competitive differentiator in retail.

Severe non-compliance penalties: Administrative fines, plant closures, and license revocations for companies that fail to adapt.

Staggered implementation: Large mass-consumption companies face the earliest compliance requirements; SMEs receive additional time.

Tax incentives: Circular economy adopters can access tax incentives for qualifying investments, making compliance financially attractive.

National Platform: A digital transparency and reporting platform for all registered companies.

+30% Additional machinery investment projected by CANAINCA due to Circular Economy Law

Industry chamber CANAINCA estimates that the Circular Economy Law will drive approximately 30% more packaging machinery investment than in recent years. For medium and small companies who lack the sustainability infrastructure that many large multinationals already have in place, the regulatory change will require entirely new investments in packaging equipment capable of handling alternative materials.



Old machinery simply cannot run sustainable materials efficiently. Companies that want to comply with the Circular Economy Law will have no choice but to invest in new equipment. It's not optional anymore — it's regulatory."

— **Packaging Machinery Distributor**, *Mexico City*



While the regulations are still to be published, it is expected that investing in new packaging materials and machinery will be less costly than paying the costs associated with extended producer responsibility as it has happened in many countries in Europe and in Chile."

— **Pasta Manufacturer**, *State of Mexico*

For PMMI members, the law creates a direct commercial message: every company that needs to redesign packaging or switch materials needs compatible machinery. The most relevant capabilities include:

- Flexibility for sustainable materials (mono-materials, rPET, paper-based substrates)
- Design for waste reduction and material efficiency
- Energy and material consumption measurement and monitoring
- Retrofit and upgrade capabilities for existing lines
- Incorporation of traceability elements in packaging





Major Investment Announcements

A \$12-18 Billion Pipeline



Plan México and organic expansion are driving a wave of announced investments across food, beverage, pharmaceutical, and personal care sectors. These investments directly translate into packaging machinery purchasing, typically ranging from 10 to 25% of total project value. Plan Mexico alone gathered investment announcements exceeding USD\$12 billion and through interviews and public sources consultations an additional USD\$ 6 billion were identified.



The announcements are remarkably concentrated in the Bajío and northern industrial corridors (Guanajuato, Nuevo León, Aguascalientes, San Luis Potosí, Hidalgo, Jalisco). Most projects are explicitly capacity expansion and export-oriented toward the United States and Canada under the nearshoring thesis, which raises the technical bar on packaging lines (FDA/USDA compliance, traceability, sustainable materials) and favors automated, high-throughput equipment.

Food

The most visible food-sector commitment is PepsiCo's new Sabritas snack-food plant in Celaya, Guanajuato — an investment exceeding USD\$ 467 million that adds roughly 66,500 tons of annual capacity and is the cornerstone of a USD\$ 2 billion multi-year plan PepsiCo committed to Mexico through 2028. The plant was formally inaugurated early 2026.

Nestlé's commitments are similarly broad. The group disclosed USD\$ 455 million targeted at the State of Mexico (covering plant upgrades and a new distribution hub in Zumpango) within a USD\$ 1 billion group-wide investment running 2025-2027 across its four Mexican factories. A separate CHF 200 million envelope from Nestlé Purina is going to expand pet-food capacity at Cuautitlán and the existing Silao hub, which together produce more than 200,000 tons of pet food per year.

Grupo Bimbo announced CAPEX investments of US\$ 2 billion from 2025 to 2028 destined mostly for modernization projects in all their plants for sustainable packaging and fleet renovation.

Pillgrim's Pride is committing USD\$1.3 billion for the period 2026-2030 for CAPEX projects in seven states, including new plants & processing capacity expansion projects.

Beverage

In recent years the beverage sector has alternated with food as the top packaging machinery investment sector by dollar value. The Coca-Cola Company announced a USD\$ 6 billion, three-year investment in Mexico in February 2026, framed around the Coca-Cola system's centenary in the country and the build-up to the 2026 FIFA World Cup. In parallel, bottler Arca Continental committed roughly USD\$ 500 million of its MX\$18.5 billion (~USD\$ 1 billion) 2026 CAPEX to Mexican production, distribution and new beverage categories. A specific Coca-Cola / Jugos del Valle plant expansion in Tlajomulco, Jalisco at USD\$ 85 million for two new production lines illustrates how that capital is landing at the plant level.

AB InBev confirmed a USD\$ 3.6 billion investment in Mexico through its Grupo Modelo subsidiary, to be deployed through 2027 across plant modernization, recycling and local-supplier programs. This sits on top of the previously announced expansion of the Yucatán brewery and a USD\$ 300 million corn-processing plant in Salamanca, Guanajuato.

Heineken is also advancing with its new brewery in Yucatán, scheduled to become operational on its first stage in mid 2026 with a design capacity of 4 million hectoliters, while the plant is nearing completion, in June 2025 Heineken's CEO announced additional investments worth USD\$ 2.75 billion to be spent between 2025 and 2028.



Personal Care

Unilever's USD\$ 408.5 million plant in Salinas Victoria, Nuevo León, part of a broader USD\$ 1.5 billion Mexico commitment for 2025-2028, is the largest single personal-care project in the pipeline. The site, located in the Salinas Industrial Park, will produce deodorants, shampoos, conditioners and creams under the Dove, Rexona, Sedal and Nexxus brands primarily for export to the United States and Canada. This will generate an initial 850 direct jobs (with capacity for an additional 120) and targets a 30% renewable-energy operation by the end of 2026.

L'Oréal is investing more than USD\$ 80 million by 2026 to expand its San Luis Potosí and Mexico City plants, a capacity uplift of roughly 50%, concentrated on hair-care and hair-color products, about 70% of which are exported to the United States.

Edgewell Personal Care inaugurated a new 55,000 sqm factory in the FINSA Aguascalientes industrial park in 2025 (USD\$ 110 million, 1,300 jobs) for skin, shaving and feminine-care products.

Kimberly-Clark de México reported approximately USD\$ 120 million in 2025 capital expenditure with explicit guidance for additional capacity expansion if export opportunities materialize.



Pharmaceutical

On February 13, 2026, four pharmaceutical companies jointly announced more than MX\$12 billion (~USD\$ 641 million) in fresh Mexican investment alongside President Claudia Sheinbaum, anchored by a forthcoming federal decree designed to attract international pharma manufacturing. Boehringer Ingelheim's MX\$3.5 billion expansion of its Mexico City tablet plant is intended to make the site the company's largest tablet facility worldwide, supplying anti-hypertensive and anti-diabetic drugs to more than 40 export markets.

Mexican-owned Laboratorios Carnot is committing MX\$3.5 billion over five years to a new manufacturing and biotechnology complex in Villa de Tezontepec, Hidalgo. The project is structured in two phases: Phase 1 (MX\$1.2 billion) targets completion in 2026, and Phase 2 in 2030 with capacity to export medications to more than 30 countries. Bayer (MX\$3 billion over five years) and AstraZeneca (MX\$2.25 billion through end-2026) round out the announced cohort, with both companies emphasizing capacity expansion and clinical-research investment.

It is worth mentioning that the single largest importer and investor in packaging machinery during 2025 was the pharmaceutical company Gerresheimer, investing over US\$49 million just in packaging equipment.

Summary Table

The table below consolidates the announcements covered in this section. Investment amounts are as publicly disclosed; where the disclosed total spans multiple years or geographies, the relevant Mexico-specific figure is shown. Currency conversions use approximate spot rates as of April 2026.

Implementation Timeline

Company	Industry	Plant / Project	Location	Investment	Timeline
PepsiCo (Sabritas)	Food	New snack-food production plant; +66,500 t/yr capacity	Celaya, Guanajuato	USD 467 M (part of USD 2 B 2025-2028 plan)	Inaugurated 2026
Nestlé Mexico	Food	Capacity expansion across four plants + new distribution hub	State of Mexico (Cautitlán, Zumpango)	USD 455 M (USD 1 B group total)	2025-2027

Company	Industry	Plant / Project	Location	Investment	Timeline
Nestlé Purina	Food (pet food)	Pet-food capacity expansion (Cuautitlán + Silao)	State of Mexico / Guanajuato	CHF 200 M (~USD 220 M)	2025-2027
The Coca-Cola Company	Beverage	Multi-site bottling, distribution and capacity build-out	Nationwide	USD 6 B	2025-2028
Arca Continental	Beverage	Production and distribution capacity, new beverage categories	Nationwide	~USD 500 M (50% of MX\$18.5 B 2026 capex)	2026
Coca-Cola / Jugos del Valle	Beverage	Plant expansion (juices and non-carbonated drinks)	Tlajomulco, Jalisco	USD 85 M	2025-2026
AB InBev / Grupo Modelo	Beverage (beer)	Plant modernization, recycling, supplier programs	Nationwide	USD 3.6 B	Through 2027
Unilever	Personal Care	New beauty & personal-care factory (Dove, Rexona, Sedal, Nexxus); export-focused	Salinas Victoria, Nuevo León	USD 408.5 M (part of USD 1.5 B 2025-2028)	Plant ramping in 2026
L'Oréal	Personal Care	Expansion of San Luis Potosí + Mexico City plants; +50% capacity in hair-care/color	San Luis Potosí + Mexico City	USD 80 M+	By 2026
Edgewell Personal Care	Personal Care	New 55,000 sqm plant (skin, shaving, feminine care)	FINSA Industrial Park, Aguascalientes	USD 110 M	Inaugurated 2025
Kimberly-Clark de México	Personal Care	Capex for capacity expansion (tissue, diapers, feminine care)	Nationwide	~USD 120 M (2025 capex)	2025-2026
Boehringer Ingelheim	Pharmaceutical	Tablet plant expansion to become company's largest worldwide	Mexico City (Xochimilco)	MX\$3.5 B (~USD 190 M)	Multi-year
Laboratorios Carnot	Pharmaceutical	New manufacturing & biotech complex; export to 30+ countries	Villa de Tezontepec, Hidalgo	MX\$3.5 B (~USD 190 M)	Phase 1 by 2026, Phase 2 by 2030
Bayer	Pharmaceutical	Manufacturing capacity expansion	Multiple sites	MX\$3.0 B (~USD 160 M)	Over 5 years
AstraZeneca	Pharmaceutical	Manufacturing and clinical-research investment	Multiple sites	MX\$2.25 B (~USD 120 M)	Through end-2026



AI & Technology

The Next Competitive Frontier



Artificial intelligence is no longer a distant aspiration for Mexico's packaging sector. It is actively being evaluated and deployed. Survey data reveals strong interest across multiple AI applications, while PMMI's broader research (Building an AI Advantage in Packaging Equipment, February 2026) identifies five areas where AI is delivering measurable results.

- 63.2% | interested in Vision Systems with AI
- 55.3% | interested in AI predictive maintenance
- 32.1% | considering AI adoption in near term

Five High-Impact AI Applications

Where AI Is Making a Difference in Packaging



Machine Vision & Quality Control: AI-enabled 3D vision systems detect defects invisible to human inspectors, reduce downtime by up to 21%, and improve food safety. These systems are compact and retrofittable.



Predictive Maintenance: The most mature AI application. Currently used by 43% of CPGs globally, with 45% planning adoption within 3 years. Moves from threshold alerts to prescriptive recommendations.



Knowledge Transfer: Capturing institutional expertise in accessible formats, such as voice queries, smart manuals, on-demand video, reduces onboarding time by 72% and decreases downtime.



Regulatory & Compliance Automation: AI platforms that centralize compliance data and automate reporting cut response times to regulatory inquiries by up to 90%. This is highly relevant given Mexico's new Circular Economy Law.



Data Transparency: Organizing production data across facilities to enable informed decisions. Companies with 120+ facilities report 18% frontline productivity increases.

The AI Readiness Gap

Despite strong interest, Mexico's CPGs acknowledge significant readiness gaps. 41.8% describe themselves as "little prepared" for automation, and only 11.4% say they are "fully prepared." The preferred adoption model is semi-automated (66.7%), reflecting pragmatic incrementalism over full automation. This creates an opportunity for machinery suppliers offering modular AI upgrades rather than requiring full-line replacement.

Top barriers to AI adoption, in order of concern include internal organizational attitudes, accountability for AI errors, cybersecurity, return on investment, and data infrastructure. The preferred adoption model for mid-sized companies is SaaS-based partnerships rather than in-house AI development.



AI is changing every few weeks. Companies that wait for a "stable" version are missing the point. The advantage goes to those who start learning now, even imperfectly."

— **PMMI's 2026 Building an AI Advantage in Packaging Equipment**, PMMI, February 2026



AI is being used more for business processes rather than in the production/packaging floor, however it is beginning to impact on packaging machinery investments, for example we are using AI models to identify optimal SKU mixes in different regions and channels across Mexico, and data is showing we need to launch new product presentations to be more competitive in specific regions or areas".

— **Food/ Beverage CPG**, Various locations



Market Outlook 2026–2027



The balance of evidence points to continued growth in Mexico's packaging machinery market through 2026–2027, and could replicate or exceed the 2025 18% surge. Our central scenario projects import value growth of 17–20% in 2026, with upside impact from the Circular Economy Law and downside risk from USMCA uncertainty.

2026 Scenario	Projected Imports & Drivers
Conservative scenario	Import forecast: \$1.33B. USMCA disruptions moderate investment; peso weakness
Base scenario	Import forecast: \$1.42B. Moderate economic recovery; circular economy law drives incremental demand, peso remains strong.
Optimistic scenario	Import forecast: \$1.51B. Plan México investments accelerate, circular economy law fully catalyzes investment, and economic growth resumes.

Positive Signals

- ✓ Falling interest rates (toward 6.5%) improve financing conditions for equipment purchases
- ✓ Plan México investments: \$12B+ in food, beverage, pharma, and personal care pipelines
- ✓ Circular Economy Law: Strong growth in machinery investment from regulatory compliance alone
- ✓ Wage-driven automation ROI continues to improve with minimum wage at \$315/day in 2026 and labor law decreases maximum weekly hours from 48 to 40.
- ✓ Strong retail growth (Walmart +11%, BBB Foods +34%) driving demand for packaged goods capacity
- ✓ GDP expected to recover to ~1.2% in 2026, with World Cup 2026 co-hosting providing additional economic stimulus

Key Risks to Monitor

USMCA renegotiation (2026): Rules of origin changes or new tariffs could impact Mexico's export-oriented food, beverage, and pharmaceutical manufacturers reducing their investment capacity.

Remittance decline: A 4.6% drop in 2025 (\$61.8B) reduces consumer purchasing power in food beverages and personal care. These sectors are most reliant on remittance income.

Peso volatility: Dollar-denominated equipment prices become more expensive when the peso weakens, potentially slowing purchase decisions.

"Trump effect" on trade: Continued US pressure on agricultural imports (beef, tomato, tequila) could contract specific subsectors.

High initial investment costs: 48.6% of CPGs cited ROI uncertainty as the primary reason for postponing investment — a structural friction in the market.

Circular Economy Law regulatory complexity: If detailed regulations are delayed beyond July 2026, companies may defer compliance-driven investment.



Recommendations for PMMI Members



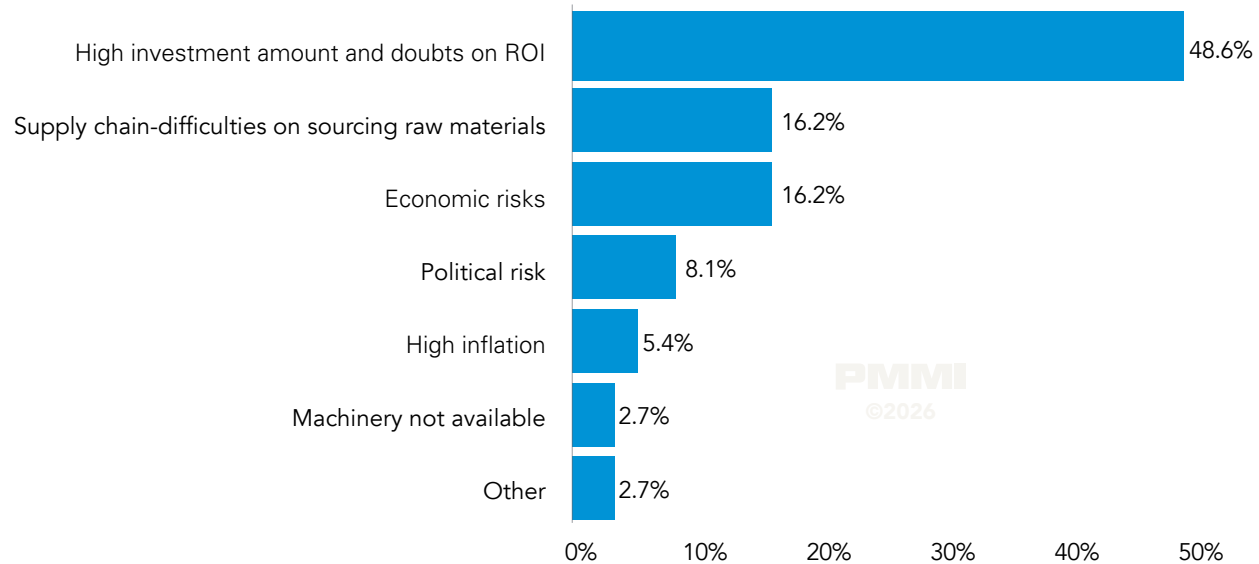
Survey respondents and interview participants provided clear guidance on what they seek from packaging machinery suppliers. These insights translate directly into commercial strategies for PMMI members serving the Mexican market.

Make the ROI Case

The single biggest barrier to purchase is not price, it is confidence in return on investment. With 48.6% of companies citing ROI doubts as the primary reason for investment postponement, suppliers who provide compelling, quantified ROI demonstrations, ideally with Mexico-specific case studies and labor cost scenarios within same sector of the potential client, will convert more prospects. Offer detailed capacity utilization analysis and TCO (total cost of ownership) calculations as part of the pre-sales process.

A notable finding: 52.9% of respondents reported postponing or halting planned investments. The primary reason, by a wide margin, was high initial investment costs and ROI doubts (48.6%), followed equally by supply chain difficulties and general economic risk (16.2% each). Political risk was cited by only 8.1%. This indicates that the barrier to investment is primarily financial confidence rather than political uncertainty, suggesting that suppliers who can demonstrate clear ROI and offer flexible financing will be at a commercial advantage.

Motives for Canceling or Postponing Investments in 2025



Source: PMMI Mexico Survey, 2026 n=70



The machines pay for themselves faster than ever given what we pay in wages. But we still need to see the numbers. Show me the ROI and I'll move forward."

— **Plant Manager**, Food & Beverage Company, Monterrey

Lead with the Circular Economy Law

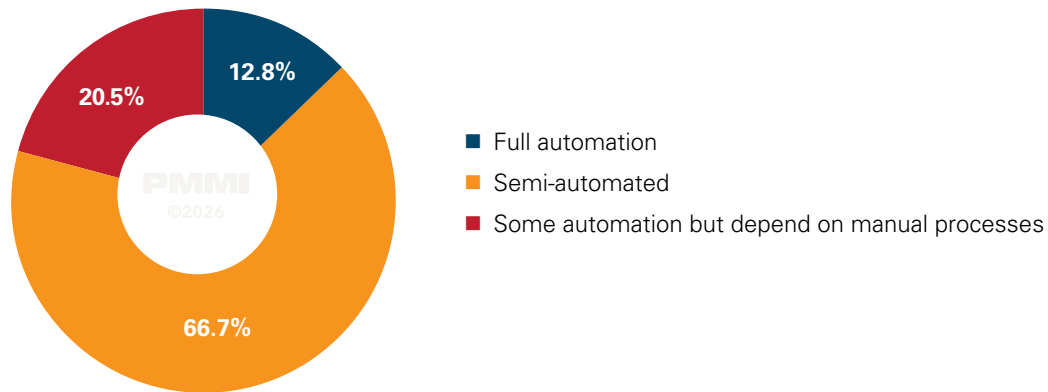
The Circular Economy Law creates a somewhat urgent, unavoidable business case for machinery investment. PMMI members should proactively communicate how their equipment handles mono-materials, recycled plastics, and paper-based alternatives along with what compliance benefits this brings. The first suppliers to offer "Circular Economy Ready" positioning in Mexico will gain significant first-mover advantage. Machinery flexibility to adapt to different sizes and material inputs without lengthy retooling are a common demand among CPGs.



Offer Modular, Phased Automation

66.7% of respondents prefer semi-automated solutions, and only 11.4% feel fully prepared for full automation. The Mexican market is not ready for and cannot absorb full-line turnkey automation. Suppliers who offer modular upgrades, retrofit kits, and phased automation journeys will find a far larger addressable market than those requiring full-system replacement.

Level of Automation Sought with New Investments

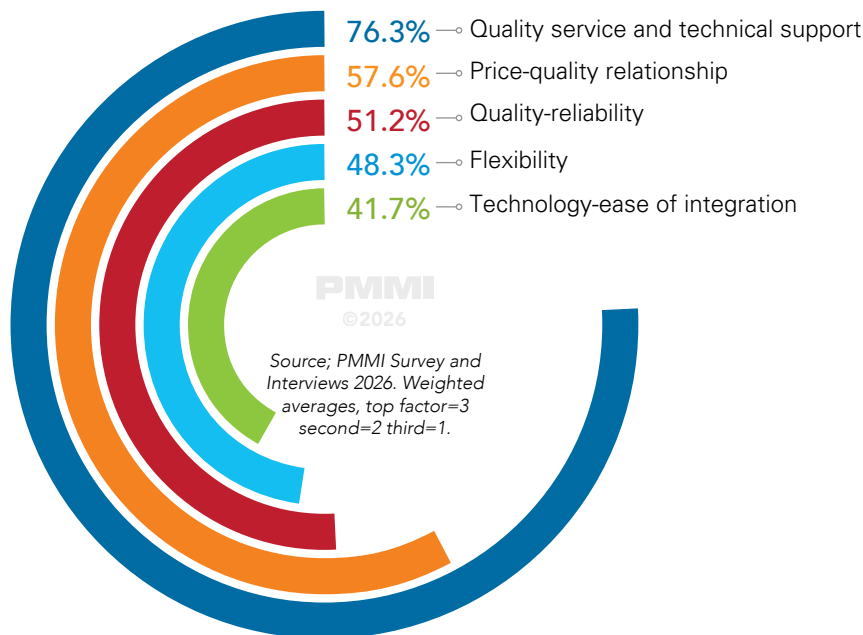


Source: PMMI Mexico Survey, 2026 n=78

Invest in Local Service & Spanish-Language Support

Service quality and technical support rated as the top factor in equipment selection (76.3%), far ahead of price (57.6%) or reliability metrics. Proximity, speed of response, Spanish-language documentation, and local spare parts availability are consistently cited as differentiators. Suppliers who under-invest in Mexican market presence consistently lose sales and customers to competitors with stronger local networks.

Top Equipment Selection Factors 2025



AI as a Commercial Message, Not Just a Feature

CPGs are actively evaluating AI capabilities such as vision systems, predictive maintenance, and data analytics, but few are ready to implement complex AI systems independently. Suppliers who position AI capabilities within a clear implementation roadmap, with defined onboarding support and SaaS-based deployment options, will find this a powerful differentiator in 2026–2027 as the technology gap between early and late adopters widens.

Five Actionable Recommendations

Build a Mexico-specific ROI calculator: Incorporate 2026 minimum wage data, union index factors, severance costs and sector-specific productivity benchmarks.

Create a "Circular Economy Ready" product positioning: Map your equipment's capabilities to the specific requirements of Mexico's Ley General de Economía Circular.

Develop a local service partnership strategy: Even if you cannot have a full subsidiary, partner with Mexican distributors who can provide immediate local support and 24-48 hour response times.

Package AI as a journey, not a destination: Offer staged AI adoption. Start with vision or predictive maintenance, prove value, then expand.

Target Personal Care aggressively: The sector surged from 4.8% (2024) to 16.5% (2025) of packaging machinery investment. It is structurally under-served compared to food and beverages and most supply is covered by European companies as they are the most known in the industry in Mexico.





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