



**REPORT ABOUT  
MACHINERY, EQUIPMENT AND  
TECHNOLOGIES FOR AGRICULTURE  
IN MEXICO**

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## 1. Executive summary

As a world leader in conventional agriculture production, Mexico requires a significant amount of agricultural machinery and equipment. From the total cultivated area, around 18.6 million hectares are potentially subject to mechanization. Protected agriculture in Mexico is also expanding rapidly (40% growth over the past 3 years), boosting the demand of specialized equipment for this industry. Tractors are the main agricultural machinery used for farming in Mexico. Mexico has been developing its own domestic agricultural machinery/equipment industry, but production is limited mainly to low-end agricultural items. The world's top agricultural machinery companies such as John Deere, CNH and AGCO have also established assembly facilities in Mexico for the manufacture of tractors and other agricultural equipment.

Mexico imports around US\$900 million in agricultural machinery and equipment every year. The main agricultural machinery and equipment that Mexico imports, fall under the following categories: agricultural sprayers and irrigation equipment; equipment for raising fresh produce & other high-value crops; tractors and their parts; harvesting and cultivating equipment for grain, oilseeds & other commodity crops; and grain silos. As the Mexican livestock industry continues to grow, Mexico also imports significant volumes of farm/livestock equipment, especially for the poultry and dairy industries. Mexico is also increasing its production of value added food products, increasing the need for imports of brewery machinery, bakery machinery, meat processing machinery, etc. There is also a growing demand for IT equipment for agriculture purposes such as: drones, camera systems to monitor plant growth, smart irrigation systems, etc.

The U.S. is the largest foreign supplier of agricultural machinery and equipment to Mexico supplying about half of the Mexican import needs, followed by: Germany, China, Italy and Netherlands. Canada supplies around 1.4% of the total agricultural machinery and equipment imported by Mexico. Among the main agricultural inputs, machinery and equipment that Mexico imports from Canada are: peat moss, (bio)fertilizers, soil conditioners, plant-growth regulators, harvesters, mowers, sprayers, seeders, harrows, rotary cutters, fertilizer distributors and ploughs. Regarding farm/livestock equipment, Mexico imports poultry incubators and brooders from Canada; and under the category of food processing equipment, Canada supplies packaging equipment, bakery machinery and meat processing machinery to Mexico. Canada is also exporting greenhouse equipment and agricultural plastics to Mexico. All the above categories of ag machinery and equipment will continue to offer promising business opportunities in Mexico.

The demand of agricultural machinery and equipment is concentrated in those Mexican states with commercial agriculture and strongly export oriented. Agricultural machinery equipment is distributed through a network of distributors at a national level. Some useful channels that Canadian exporters can consider for introducing agricultural machinery and equipment are through agriculture associations and relevant trade exhibitions. The Mexican government has programs in place to enable agricultural mechanization, offering supports and financing for the purchase of agriculture/livestock machinery and equipment, as well as training for the operators of agricultural machinery.

The agricultural machinery and equipment market in Mexico is forecast to register a 4% annual average growth towards 2020, especially fueled by the production of produce, proteins and value-added food products. Canadian companies wishing to introduce their agricultural machinery and equipment in Mexico should have a service-oriented and long-term commitment to the market. Financing, price, quality and delivery times are important selling factors Canadian companies must always consider when selling to Mexico.