



## Summary of Report on “The Economics Impact of the Mexican Dairy Sector’s Commercial Opening”

*This report illustrates that imports of U.S. dairy products have supported the development of the Mexican dairy industry by providing consumers with greater dairy product variety, driving consumer demand for domestic and imported products alike.*

**Report Details:** The complete report in English can be found [here](#).

### Overview:

The U.S. dairy industry shipped over \$1.5 billion worth of dairy products to Mexico in 2019, up from just \$124 million in 1995. Much of this growth can be attributed to NAFTA and the progress that deal made in tearing down trade barriers. In the years since NAFTA was implemented, USDEC has worked in partnership alongside the Mexican dairy industry, including Mexican dairy farmers, to expand dairy consumption and broaden consumer demand for dairy.

The report released today details the benefits that U.S. exports have brought to Mexican consumers in terms of price, quality, variety, and the wide availability of dairy products. It also details the benefits for Mexican dairy producers, who have seen benefits from working side-by-side with the U.S. dairy industry to increase consumption of all dairy products, including fluid milk. In addition, Mexican dairy producers have had access to a constant, secure, and affordable supply of dairy inputs and technology, allowing them to boost domestic production.

As a result of improvements in processing and access to competitive inputs, the volume of milk production in Mexico doubled over the last three decades, increasing from 6.1 billion liters in 1990 to 12.3 billion in 2019. Likewise, milk and dairy consumption in Mexico has shown dynamic growth which the report credits to the growth of essential U.S. dairy imports.

The [Executive Summary](#) cites several data points that underscore the incredible growth of the Mexican dairy industry and the critical role of U.S. dairy exports:

- Between 2003 and 2018, the value of Mexican dairy production increased by 50 percent.
- 3,756 dairy products are available to Mexican consumers, giving them greater variety than similar developed countries with greater dairy consumption.
- U.S. dairy products make up two-thirds of Mexico’s dairy imports, in terms of value.

There remains substantial room to expand dairy consumption in order to improve the nutrition and wellbeing of Mexican consumers and drive further economic benefits to the many industries that rely on a healthy dairy market. USDEC has invested in building upon the progress already achieved in Mexico and USMCA, when properly enforced, will be key to preserving U.S. dairy export opportunities and maximizing the benefits that this relationship brings to both of our nations.

USDEC will continue to strengthen trade with Mexico to support U.S. dairy farmers, processors and exporters as well as our partners in the Mexican industry so we all can meet Mexico’s growing demand for high-quality dairy products.