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TÁC ĐỘNG CỦA CPTPP ĐẾN XUẤT KHẨU GIÀY DÉP CỦA VIỆT NAM SANG MEXICO TRONG BỐI CẢNH CẢI CÁCH THUẾ QUAN VÀ HẢI QUAN MỚI: CƠ HỘI VÀ THÁCH THỨC

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Tóm tắt

Tháng 1 năm 2026, Mexico đã điều chỉnh khung chính sách thuế quan và hải quan, tăng thuế nhập khẩu đối với hàng hóa từ các quốc gia không có hiệp định thương mại tự do (FTA) và siết chặt quy trình xác minh xuất xứ. Trong bối cảnh Mexico là một thị trường đầy tiềm năng đối với xuất khẩu giày dép của Việt Nam, những thay đổi này được kỳ vọng sẽ làm thay đổi cục diện cạnh tranh. Mặc dù Việt Nam có thể hưởng lợi từ ưu đãi thuế quan theo CPTPP, việc tăng cường giám sát hải quan bằng công nghệ số, yêu cầu hồ sơ chứng từ chặt chẽ hơn và xu hướng đẩy mạnh bảo vệ ngành sản xuất trong nước đặt ra những thách thức đáng kể về tuân

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thủ. Sự giám sát nghiêm ngặt hơn cũng làm gia tăng nguy cơ điều tra phòng vệ thương mại và khả năng bị từ chối hưởng ưu đãi thuế quan. Nghiên cứu này phân tích các cơ hội và thách thức nổi lên, đồng thời đề xuất các khuyến nghị nhằm giúp doanh nghiệp xuất khẩu giày dép Việt Nam tối đa hóa lợi ích đạt được.

Từ khóa: Ngành giày dép, CPTPP, Mexico, Việt Nam, cải cách thuế quan và hải quan

THE IMPACT OF CPTPP ON VIETNAM'S FOOTWEAR EXPORTS TO MEXICO UNDER NEW TARIFF AND CUSTOMS REFORMS: OPPORTUNITIES AND CHALLENGES

Abstract

In January 2026, Mexico revised its tariff and customs framework, increasing import duties on goods from non-FTA countries and tightening origin verification procedures. As Mexico represents a promising market for Vietnam's footwear exports, these changes are expected to alter competitive dynamics. While Vietnam may gain from preferential access under the CPTPP, stricter digital customs monitoring, heavier documentation requirements, and enhanced protection of domestic industries pose significant compliance challenges. Greater scrutiny also heightens the risk of trade remedy investigations and possible denial of preferential treatment. This study examines the emerging opportunities and challenges before proposing recommendations to help Vietnamese footwear exporters maximize benefits.

Keywords: footwear industry, CPTPP, Mexico, Vietnam, tariff and customs reform

1. Introduction

Asia dominates production in the global footwear market, with production in this region accounting for about 87% of global production (Oanh et al., 2024). While China continues to be the largest footwear exporter, the importance of Vietnam has been growing significantly. As of 2021, Vietnam accounted for more than 10% of global exports of footwear, making it the second largest exporter worldwide (Oanh et al., 2024). In this context, Mexico has embarked on a significant trade policy retreat. On January 1, 2026, Mexico implemented a series of general tariff reforms to the benefit of domestic producers by raising tariffs rates (5-50%) on over 1,400 tariff items permanently for non-FTA countries (Rosenzweig et al., 2025). This legislative confirmation effectively consolidates earlier temporary provisions and explicitly reserves preferential treatment for FTA partners. In reality, industries such as textiles and footwear had previously been subjected to executive decrees raising tariffs and the legislation basically formalizes those elevated tariffs (Rosenzweig et al., 2025).

In the context of Viet Nam's footwear industry, these changes come as it is becoming increasingly reliant on overseas markets. Vietnamese leather and footwear industry obtained 23.87 billion USD in export revenue in 2022 (Oanh et al., 2024), which is significant suggesting the large-scale capacity of production. Vietnam is a founding member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which took effect for

Vietnam in January 2019, and Mexico is also a CPTPP signatory. Vietnam is an original member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which entered into force for Vietnam in January 2019, and Mexico is also a CPTPP signatory. Under CPTPP commitments, Vietnam will benefit from preferential tariff rates, though not yet entirely duty-free, on footwear (HS Code 64) exported to member countries like Mexico (Department of Foreign Affairs and Trade, 2025). This means that Vietnamese exporters are set to enjoy progressively reduced tariffs under the agreement, ensuring continued competitive access to this market.). In contrast, rival exporters from non-FTA countries now face sharply higher costs under the new Mexican tariffs (Rosenzweig et al., 2025).

While trade reports have documented Vietnam's overall export growth to Mexico and the increasing utilization of CPTPP preferences, there exists a critical gap in the academic literature. No existing study has systematically analyzed the combined impact of CPTPP preferences and Mexico's new tariff context on Vietnam's footwear exports. This research addresses that gap by investigating how Vietnam's CPTPP-granted tariff advantage might be amplified by the cost disadvantage imposed on non-FTA competitors like China. We hypothesize that the intersection of these two policies creates a unique strategic opportunity for Vietnamese footwear exporters to capture market share in Mexico.

To guide the analysis, this study focuses on Vietnam's exports of footwear products (HS Code 64) to Mexico and addresses the following questions:

1. How do the tariff commitments, rules of origin, and technical barrier provisions under the CPTPP affect Vietnam's footwear exports (HS Code 64) to Mexico?
2. What are the objectives, scope of application, and specific tariff implications of Mexico's 2026 new customs and tariff for footwear products (HS Code 64)?
3. How do CPTPP preferences and Mexico's new customs and tariff reform create challenges and opportunities for Vietnam's footwear exports?
4. What recommendations can be proposed for Vietnam's footwear industry to strengthen export performance in the Mexican market?

This study examines these questions in depth, setting the stage for understanding how the dual effects of the CPTPP and Mexico customs and tariff reform will create opportunities and challenges for Vietnam's footwear industry.

2. Theoretical framework

2.1. The CPTPP agreement and commitments for the footwear industry

2.1.1. Overview of the CPTPP agreement

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is a free trade agreement among eleven Asia-Pacific economies that establishes comprehensive rules governing trade in goods, services, investment, and related areas. The Agreement aims to promote economic integration, liberalise trade through tariff elimination, and reduce non-tariff barriers to trade. The CPTPP was signed on 8 March 2018 in Santiago, Chile. The Agreement came into force on 30 December 2018 for the first six ratifying Parties, and later on 14 January 2019 for Vietnam.

2.1.2. Tariff commitments for footwear products (HS 64)

As agreed, Mexico will eliminate import duties for 77.2% of tariff lines when the Agreement comes into force, which is equivalent to 36.5% of exports from Viet Nam to Mexico. After ten years, import duties of 98% tariff lines will be 0%.

For footwear products (HS 64), 19 out of 72 tariff lines (26.4%) were eliminated immediately, while the remainder were phased out over 5, 10, and 13 years. Prior to the Agreement, Vietnamese footwear exports to Mexico faced relatively high MFN tariff rates; products with base rates of 10-15% generally follow a five-year schedule, whereas those with higher base rates of 20-30% are subject to longer elimination periods of 10 to 13 years.

2.1.3. Rules of origin and cumulation mechanisms in the footwear industry

According to Article 3.1 on Chapter 3 of the CPTPP on Rules of Origin and Origin Procedures, goods are deemed to be originating when they are wholly obtained or produced in the territory of one or more CPTPP Parties, produced entirely from originating materials, or manufactured with non-originating materials, provided that the applicable product-specific rules of origin laid out in Annex 3-D are satisfied.

Concerning footwear products classified under HS Chapter 64, the product-specific regulations in Annex 3-D generally require a change in tariff classification from any other chapter. However, if non-originating elements are categorized under certain excluded headings of Chapter 64, such as subheading 6406.10 or assemblies of uppers under subheading 6406.90, origin may still be granted provided that the good satisfies a regional value content (RVC) requirement. In such cases, the footwear product must attain a minimum RVC of at least 45% under the build-up method or 55% under the build-down method.

2.1.4. Commitments on technical barriers to trade and non-tariff measures

Under Chapter 8 of the CPTPP, Parties agree to ensure that technical regulations, standards, and conformity assessment procedures do not create unnecessary obstacles to trade. When applicable, these policies must be transparent, non-discriminatory, and based on relevant international standards. For the footwear industry, such commitments are particularly significant in areas including product safety requirements, labeling regulations, and customs procedures (VNTR, 2018). The Agreement pushes for regulatory transparency, prior notification of new technical measures, and opportunities for stakeholder consultation, thereby reducing compliance costs and regulatory uncertainty for exporters. Additionally, the CPTPP's rules on trade facilitation and customs administration also aid in lowering non-tariff trade barriers that impact member nations' footwear commerce.

2.2. Mexico customs and tariff law reform (2026)

2.2.1. Reform instruments, objectives and scope

In late 2025, the Mexican government enacted a broad customs reform via presidential decrees in the Diario Oficial de la Federación. On November 19, 2025, a decree amending the Customs Law (Ley Aduanera) was published, and on December 29, 2025 a separate decree modified the General Import and Export Taxes Law (LIGIE/TIGIE) (International Trade Administration, 2025; Serpientes y Escaleras, 2025).

The reform was introduced as part of a broader “Plan México” strategy to reindustrialize the economy and protect strategic domestic industries. Officials emphasized that the aim is not

chiefly revenue but to “create fair competition for Mexican industry” by countering a flood of cheap imports (Valdelamar, 2025; *ContraRéplica*, 2025). According to government statements, the reform seeks to “safeguard about 350,000 jobs in sensitive sectors such as footwear, textiles, steel and auto parts” and to correct market distortions from an over-reliance on imports (*ContraRéplica*, 2025). In other words, the new policy marks a clear shift away from Mexico’s decades-long practice of minimal import duties toward a more defensive stance protecting national producers (Valdelamar, 2025).

Moreover, the reform significantly reshapes Mexico’s tariff and compliance landscape by expanding the scope and intensity of MFN duties. Approximately 1,463 tariff lines are now subject to higher tariffs, with rates ranging from 5% to 50% depending on product classification (International Trade Administration, 2025). Within this group, around 316 tariff subheadings that previously entered duty-free are newly exposed to positive duties, directly increasing import costs for a wide range of products (Rosenzweig et al., 2025). Beyond price effects, the reform also affects firms operationally through the introduction of mandatory digital mechanisms, including real-time traceability, automated inventory systems, and enhanced digital monitoring. As a result, companies face not only higher landed costs but also increased compliance requirements, tighter customs oversight, and greater administrative burden throughout the import process (International Trade Administration, 2025).

2.2.2. Scope of application and specific tariff rates for footwear products

Under the 2026 customs law reform published in the *Diario Oficial de la Federación* (29 December 2025), the newly increased Most-Favoured-Nation (MFN) tariff rate is applied exclusively to goods originating from countries with which Mexico does not maintain a free trade agreement. Imports from FTA partners, including CPTPP members, continue to enjoy preferential or zero-duty treatment in accordance with the relevant agreements.

According to the amended tariff schedule, footwear products under HS 64 imported from non-FTA countries are subject to ad valorem duties ranging from 25% to 35%, depending on the specific subheading (*Diario Oficial de la Federación*, 2025). Specifically:

- HS 6401 (Waterproof footwear with outer soles and uppers of rubber or plastics): Subheadings including protective footwear with metal toe caps and PVC-based constructions are subject to a 35% tariff.
- HS 6402 (Footwear with outer soles and uppers of rubber or plastics): Most classifications, including sports footwear, sandals, footwear for men, women, and children, and protective footwear (with or without metal toe caps), are subject to a 35% rate. Limited exceptions, such as certain ski and snowboard footwear, are taxed at 25%.
- HS 6403 (Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather): The dominant rate is 35% across subcategories, including leather-upper footwear for men, women, and children, sandals, and protective footwear. Specific constructions, such as footwear with wooden platforms or certain ski-related footwear, are subject to a 25% rate.
- HS 6404 (Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials): The tariff schedule consistently applies a 35% ad

valorem rate across subheadings, including sports footwear, sandals, and footwear for different demographic groups.

- HS 6405 (Other footwear): Subheadings covering footwear with uppers of natural or regenerated leather, wood, cork, felt, or other materials are subject to a 35% tariff.

Overall, the revised structure demonstrates that 35% constitutes the standard MFN tariff for footwear imports from non-FTA partners, while the 25% rate applies only to narrowly defined technical categories. This confirms that the reform establishes a high and broadly applied protective tariff wall across the Mexican footwear market.

2.3. Analytical framework

For collecting research data, the authors have used various sources for collecting research data, mainly secondary data from Trade Map and other existing studies. By selecting, analyzing, and synthesizing the collected data, the authors derive key findings for the research.

To clarify the analytical logic of the study, Figure 1 presents the analytical framework, illustrating how CPTPP commitments and Mexico’s new customs and tariff reform influence Vietnam’s footwear export performance, creating both opportunities and challenges.

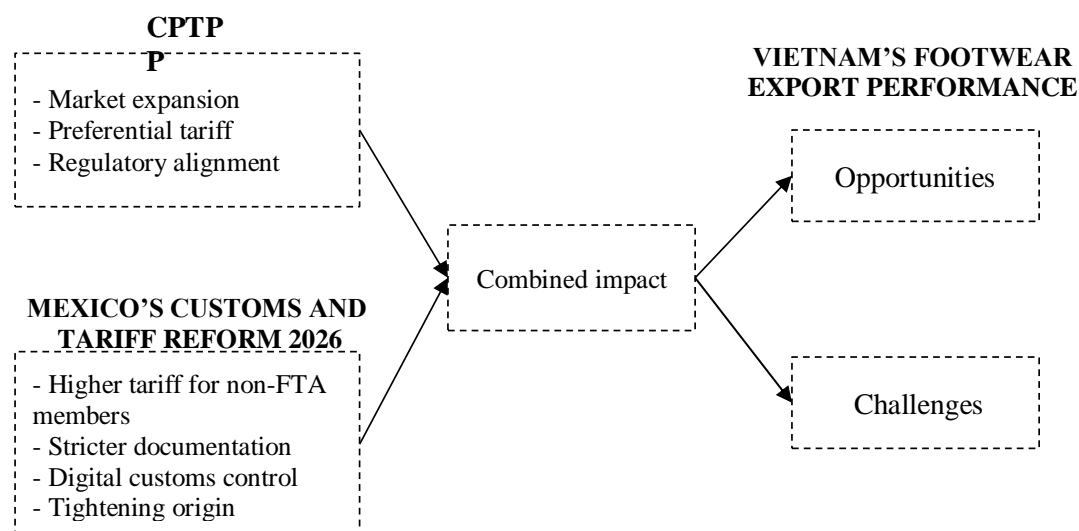


Figure 1. Analytical framework

Source: Synthesized by the authors

3. Vietnam's footwear industry position in the context of exports to the Mexican market

3.1. Overview of Vietnam's footwear industry

Vietnam's footwear industry has emerged as a leading force in the global market. In 2022, Vietnam's footwear exports reached about 23.87 billion USD, rising sharply from previous years (Oanh et al., 2024). The country remained the world's second-largest exporter of footwear in 2024, with shipments exceeding 20 billion USD, trailing only China (Loan, 2025). This export growth has been remarkably rapid, with a 34.3% year-on-year increase in 2022, as the industry expanded into nearly 100 markets worldwide (Oanh et al., 2024). The United States is by far the largest market, accounting for roughly 9.6 billion USD, or about 40% of Vietnam's footwear exports in 2022. It is followed by China, EU countries, and other Asia-Pacific markets (Oanh et al., 2024). This demonstrates the industry's strong export orientation. Vietnam has

become a major supplier of athletic and fashion footwear to developed markets, supported by large-scale production and foreign direct investment.

Despite its strength, the industry faces some challenges. It operates on relatively thin margins as a supplier in global value chains, with most production still based on contract manufacturing. Vietnamese producers rely heavily on imported inputs such as leather, fabrics, and synthetics, which can make cost management and compliance more difficult (Loan, 2025). However, the industry has experienced rapid modernization in the past years with the traditional production of leather shoes expanding into high-growth segments like sports and casual footwear. Looking ahead, the industry is aiming for sustained growth, with projections indicating that export revenue could reach approximately 27 to 28 billion USD by 2025. This reflects an estimated annual growth rate of 10 to 12%, driven by Vietnam's effective use of trade agreements and expanding production capacity to meet global demand (Oanh et al., 2024; World Footwear, 2024).

3.2. Structure of Vietnam's footwear export products to Mexico

We selected three primary categories of 4-digit HS codes to examine Vietnam's footwear exports to Mexico in 2024, highlighting the diversity of its product composition. This composition demonstrates Vietnam's capability to serve multiple market segments simultaneously.

HS Code	Product Description	Value (USD thousand)	Annual Growth (2020-2024, %)
6404	Footwear with uppers of textile materials	259,426	12%
6403	Footwear with uppers of leather	148,991	37%
6402	Footwear with uppers of rubber or plastics	127,891	33%

Table 1. Vietnam's footwear exports to Mexico by product category (2024)

Source: Trade Map

Footwear with textile uppers (HS 6404) emerged as the dominant category, representing nearly half of all shipments at USD 259.4 million. This segment primarily includes athletic shoes, canvas footwear, and casual lifestyle products. These are areas where Vietnam has established particular strength through its partnerships with global brands such as Nike, Adidas, and Converse (Volza FZ LLC, 2018).

Leather footwear (HS 6403) reached USD 149.0 million, growing at an impressive 37% annually since 2020. This higher-value segment demonstrates Vietnam's capabilities in formal shoes, dress footwear, and premium casual products.

Rubber and plastic footwear (HS 6402) showed a dynamic growth at 33% annually, reaching USD 127.9 million. This category covers sandals, slippers, synthetic sports shoes, and

waterproof footwear. The rapid growth suggests increasing Mexican consumer preference for Vietnamese-made synthetic footwear products.

3.3. Strengths and challenges of Vietnam's footwear industry in exporting to Mexico

3.3.1. Strengths

Vietnam's footwear industry enjoys several competitive advantages in exporting to Mexico.

First, trade preferences through the CPTPP significantly lower Mexican import tariffs on Vietnamese products. Both countries are CPTPP members, and Mexico has committed to eliminate tariffs on about 77% of Vietnamese imports, covering 36.5% of Vietnamese export value, with that figure rising to 98% by 2028 (TTWTO VCCI, 2025). In practice, this means most Vietnamese footwear shipments to Mexico can enter duty-free if certified under CPTPP origin rules. Vietnamese exporters have responded by obtaining CPTPP certificates of origin. The share of Vietnamese exports to Mexico using CPTPP origin rose from 7% in 2019 to 47% in 2024 (VietnamPlus, 2025). For footwear in particular, the CPTPP utilization rate is very high, estimated at around 70 to 80% of shipments (VietnamPlus, 2025). These tariff reductions give Vietnamese shoes a price advantage in Mexico over non-FTA competitors. Mexican officials have noted that Vietnam offers competitive pricing for products like footwear (TTWTO VCCI, 2025), which has encouraged Mexican importers to turn to Vietnam even as Mexico raises duties on non-CPTPP partners.

Second, Vietnam has a large and efficient production base. Vietnamese factories supply many global brands and have substantial capacity, enabling them to meet bulk orders reliably. For example, the United States purchased 9.6 billion USD worth of Vietnamese footwear, or 40% of exports, in 2022, and Vietnam routinely fulfills similarly large orders (Oanh et al., 2024). This experience in high-volume, quality production translates well to the Mexican market's demand for mass-market shoes. In addition, Vietnam's proximity advantage over Western suppliers and lower labor costs help maintain competitive unit prices. Industry observers also point out that Mexican buyers appreciate Vietnam's stable delivery and established supply chains.

Finally, the recent growth in Vietnam-Mexico trade reflects broader trends favorable to Vietnam's exporters. Bilateral trade expanded rapidly in 2024, with two-way trade reaching nearly 6.4 billion USD, a 23% increase over 2023 (TTWTO VCCI, 2025). Vietnam's Trade Counsellor in Mexico reports that many leading Mexican importers are now sourcing clothing, footwear, plastics, and other goods from Vietnam (TTWTO VCCI, 2025). This growing interest signals that Vietnam's footwear industry is successfully entering the Mexican market, leveraging both its export capacity and its preferential access under CPTPP

3.3.2. Challenges

Vietnam's footwear exporters also face notable challenges in the Mexican market.

One challenge is Mexico's new tariff measures on imports. Between 2024 and 2026, Mexico imposed temporary tariffs ranging from 5% to 50% on hundreds of product lines to protect the domestic industry (International Trade Administration, 2024). In particular, a 2025 decree sets a minimum 25% duty on imported footwear from countries without free trade agreements (Diario Oficial de la Federación, 2025). Although Vietnam benefits from CPTPP

and should largely avoid these tariffs if origin rules are met, any misclassification or certificate issue could expose shipments to high duties. Therefore, Vietnamese exporters must be vigilant in complying with CPTPP rules of origin and customs regulations.

Another challenge is the rules of origin and documentation. Mexico is tightening oversight of imports to enforce its trade policies. Vietnamese trade officials warn exporters that they must improve product documentation and origin certificates to maintain tariff preferences (TTWTO VCCI, 2025). Inadequate tracking of domestic value-added or the use of non-originating inputs could lead to tariffs or penalties. This issue is compounded by Vietnam's heavy reliance on imported raw materials. As one industry analyst notes, reliance on imported leather and accessories makes it harder to demonstrate local content (Loan, 2025). In other words, Vietnam's shoe production still follows a contract manufacturing model, and verifying true Vietnamese origin can be difficult when key components are sourced from abroad.

Vietnamese exporters also face intense competition and trade remedy risks. Even as Vietnam enters the Mexican market, other Asian exporters such as Indonesia continue to compete in footwear, some without FTA access. Moreover, rapidly rising Vietnamese footwear exports have attracted scrutiny in several countries. Major markets including the United States, the European Union, and Turkey, have imposed anti-dumping or safeguard duties on Vietnamese footwear in the past. Mexico itself has launched investigations and issued warnings about possible trade remedies on Vietnamese leather and footwear products (Loan, 2025).

4. The combined impact of CPTPP and Mexico's tariff policy on Vietnam's footwear exports

4.1. Impact of CPTPP on Vietnam's footwear exports to Mexico

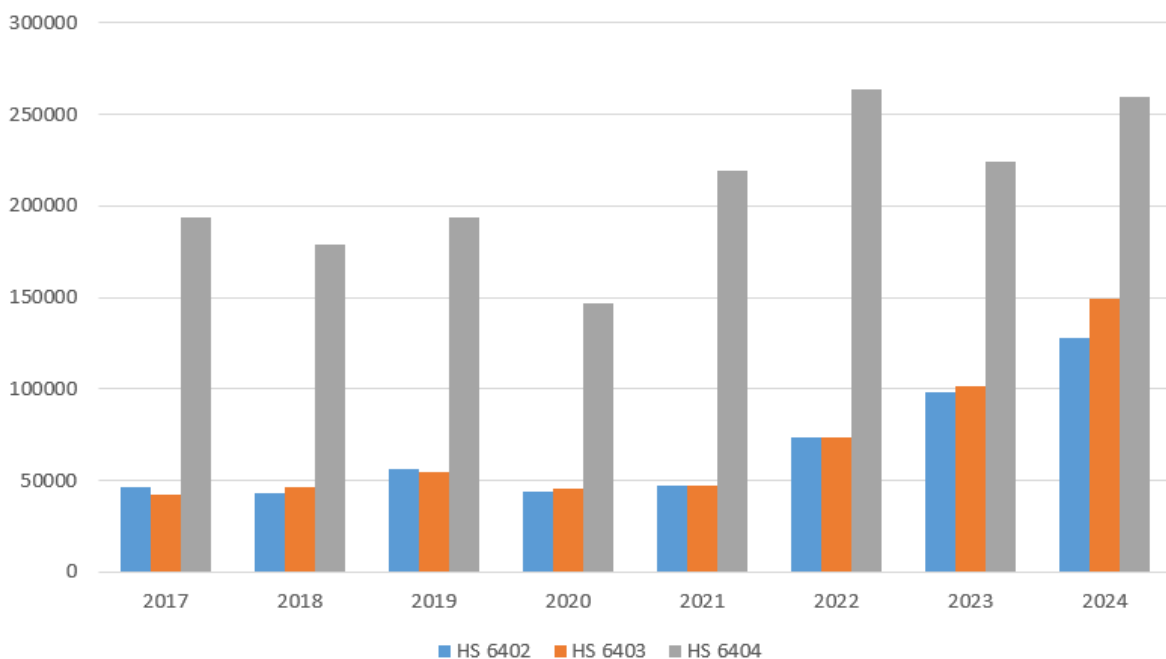


Figure 2. Export value of Vietnamese footwear (HS 6402, 6403, 6404) to Mexico (2017-2024)

Source: Author's illustration based on Trade Map

The chart illustrates the export value of Vietnamese footwear (HS codes 6402, 6403, and 6404) to Mexico from 2017 to 2024. Using 2019 as the pre-CPTPP benchmark, a clear shift in

trade dynamics can be observed afterward. Prior to 2019, export values across all three categories were relatively stable but modest, with HS 6404 dominating the market. Following Vietnam's accession to the CPTPP (which took effect in early 2019), exports initially dipped in 2020, likely due to the pandemic, but then experienced significant long-term growth. From 2021 onwards, all categories surged past their 2019 levels. For instance, HS 6403 more than doubled from 54.4 million USD in 2019 to 148.9 million USD in 2024, while HS 6402 grew from 55.8 million USD to 127.8 million USD over the same period. Notably, HS 6404 peaked at 263.4 million USD in 2022, reflecting strong demand. Although there was a slight correction in 2023, the overall upward trend post-2019 suggests that the CPTPP tariff advantages have positively impacted Vietnam's footwear exports to Mexico.

This change can be explained by the specific impact of the CPTPP, as outlined below:

Market expansion

The CPTPP has significantly boosted the presence of Vietnamese footwear in Mexico by focusing on three essential areas: easier access to markets, flexible origin rules, and simplified regulations. In 2024, these adjustments resulted in an impressive 26.92% rise in footwear imports from Vietnam, allowing this sector to capture 26.9% of Mexico's market share (Lin, 2025). However, this achievement has also led to what is known as a "substitution effect" in the Mexican market. As Vietnamese shoes become more affordable and simpler to import thanks to CPTPP benefits, Mexico's local footwear industry has experienced a 12% drop in its market share (Lin, 2025). This situation has turned into a double-edged sword; while it highlights the effectiveness of CPTPP commitments, it has also prompted Mexican industry associations to call for more government support, resulting in the increased scrutiny seen in the recent 2026 customs reforms (Lin, 2025).

Tariff advantage

The phased elimination of tariffs under the CPTPP has significantly enhanced the price competitiveness of Vietnamese products. In the footwear sector (HS 64), the immediate removal of duties on 26.4% of tariff lines has provided Vietnamese manufacturers with a significant initial competitive advantage. Furthermore, products that have higher tariff base rates are set to follow elimination schedules ranging from 5 to 13 years. This gradual approach not only offers predictable cost reductions but also allows companies to develop long-term pricing strategies. As a result, these strategies create a level of stability that non-FTA competitors, such as China, find difficult to match. The high CPTPP C/O utilization rate, which reached 70-80% in 2024 (Viet Nam News, 2025), indicates that Vietnamese firms are successfully translating these legal commitments into financial benefits.

Origin flexibility

The CPTPP's Rules of Origin (ROO) play an important role in shaping Vietnam's production landscape. While the "change in chapter" requirement is standard practice, the introduction of Regional Value Content (RVC) thresholds (45% build-up or 55% build-down) for specific categories offers flexibility for manufacturers, as Vietnamese producers can use non-originating materials to a certain extent and still qualify for duty-free status, as long as they add enough value locally. Additionally, because of this CPTPP origin status, businesses are encouraged to localize their supply chains, which reduces their reliance on outside input

sources and increases the production process's independence and sustainability (WTO AND FTAs Reference Center, 2024). However, this also presents a challenge, as the detailed documentation needed for RVC can be overwhelming, making it easier for larger foreign direct investment (FDI) companies to navigate than for small and medium-sized enterprises (SMEs), which often find the process of origin certification quite burdensome (Vietnamnet Global, 2025).

Regulatory alignment

Beyond tariffs, Chapter 8 of the CPTPP has reduced "border friction" by harmonizing technical regulations and labeling standards. Mexico's commitment to transparency and nondiscrimination ensures a stable regulatory environment for Vietnamese exporters. This reduces the possibility of shipments being rejected for arbitrary safety or labeling violations, which is a common invisible cost in international trade. Besides, the reduction of non-tariff measures (NTMs) following the CPTPP's rules on trade facilitation and customs administration has reduced the total landed cost of Vietnamese footwear, making it an attractive alternative for Mexican importers seeking reliable, low-risk supply chains. Additionally, according to *Tap chí Công Thương* (2022), in the process of meeting the requirements of the CPTPP, the internal capabilities of enterprises have also improved significantly, as they must satisfy market standards while preparing to comply with the commitments set out in the CPTPP Agreement.

4.2. Impact of Mexico customs and tariff law reform on Vietnam's footwear exports

In the context of Mexico's implementation of new tariff & customs measures on imports from several Asian countries that are not bound by free trade agreements (FTAs), the policy change reflects objectives of protecting domestic production and strengthening the competitiveness of key industries. Some commentators argue that Vietnam's footwear sector can be a potential alternative supplier to the Mexican market, especially when other major Asian exporters face higher tariff barriers (WTO Center, 2026).

However, the preferential advantages available to Vietnam under CPTPP are not automatic. The utilization of tariff benefits depends on strict compliance with rules of origin and other regulatory requirements under Mexico's new customs framework.

Accordingly, Mexico's customs and tariff law reform generates a combined impact on Vietnam's footwear industry, creating new market opportunities and challenges.

a) Opportunities

Tariff differentials vis-à-vis non-FTA suppliers

Under Mexico's revised tariff structure, exporters from non-FTA countries may be subject to duties ranging from 7% to 50%, depending on product classification and country of origin. Specifically, footwear products under HS Chapter 64 and imported from non-FTA partners are subject to ad valorem tariffs ranging from 25% to 35%. In contrast, Vietnamese footwear that is an originating product under CPTPP may benefit from preferential tariffs, allowing it to enjoy a relative cost advantage over other suppliers. Global trade flows typically operate under a compensatory dynamic: when supply from one market is constrained by trade barriers, alternative supply chains will fill the gap (Truong, 2025). In this context, higher tariff barriers imposed on major suppliers such as China and Indonesia may create a potential relative tariff advantage for Vietnam.

However, this advantage must be understood as relative, but not absolute. First, the CPTPP establishes Rules of Origin (ROO) requirements, meaning that only firms that are able to meet the regional value content thresholds or transformation criteria are eligible for preferential tariffs (Baldwin & Wyplosz, 2022). Therefore, preferential access is conditional upon compliance rather than automatically granted to all Vietnamese exporters. Secondly, Vietnam also has to compete with America and Canada. These countries are significant footwear exporters to Mexico and benefit from the USMCA. Geographic proximity, regional supply chains, and institutional familiarity create additional competitive advantages for these suppliers. Therefore, even if Chinese and Indonesian exporters face higher tariffs, displaced market share may shift toward U.S. or Canadian suppliers rather than Vietnamese firms.

b) Challenges

Enhanced origin verification and rising trade remedy risks

In the context of recent changes of Mexico's customs and tariff policies, footwear has been identified as one of the strategic sectors that the Mexican government wants to protect and promote domestically. While Vietnam is able to utilize preferential tariffs under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) to export footwear to Mexico at lower tariff rates, its reliance on imported raw materials from China creates structural vulnerabilities. This dependency may give rise to concerns that Vietnam could be a transshipment or circumvention gateway for Chinese goods entering the Mexican market. Consequently, Vietnamese exporters face more risks of trade remedy investigations and anti-circumvention scrutiny.

These risks are further amplified by Mexico's recent customs law reform, which strengthens origin verification through automated digital platforms and real-time data validation systems. The tightening of origin verification and post-clearance audit increases the probability of compliance reviews and enforcement actions. As a result, Vietnamese firms are exposed not only to potential legal liabilities and financial penalties but also to possible export disruptions. Beyond immediate commercial losses, such investigations could adversely affect the credibility and reputation of Vietnamese footwear in the Mexican market, generating broader reputational and supply-chain consequences (Pham, 2025).

Digitalization and documentation burden

The digitalization factor of Mexico's customs reform improves the authorities' capacity to verify trade data and detect inconsistencies in declared origin, production processes, and supply chain documentation. For Vietnam's footwear exporters who want to utilize preferential tariffs under the CPTPP, this means stricter scrutiny of certificates of origin and supporting documentation. Enhanced digital monitoring also allows Mexican customs authorities to conduct more systematic post-clearance audits and remote verification of import data, therefore increasing compliance obligations. In this context, Vietnamese firms must rapidly adapt by upgrading their digital systems, improving data transparency, and aligning operational processes with Mexico's technology-driven framework in order to maintain market access.

Besides, in the footwear industry, which has thin profit margins, compliance costs may reduce part of the preferential margin obtained under CPTPP (Pham et al., 2024). Small and medium-sized enterprises (SMEs) are particularly vulnerable to these regulatory changes.

4.3. The combined impact of CPTPP and Mexico's customs and tariff reform

The combined impact of the CPTPP and Mexico's customs and tariff reform is reshaping the competitive landscape for the Vietnamese footwear industry. On the one hand, CPTPP provides a tariff difference advantage, thereby strengthening Vietnam's export competitiveness in Mexico. On the other hand, Mexico's recent tightening of origin verification, stricter documentation, and digital customs supervision reflects a protective adjustment aimed at protecting domestic industries and improving the trade balance. While higher duties imposed on non-FTA Asian suppliers may create trade diversion opportunities for Vietnam, stricter rules of origin enforcement, post-clearance audits, and compliance-intensive digital requirements raise transaction costs and legal exposure for exporters. Together, the benefits derived from the combined impact of CPTPP and Mexico's new tariff and customs reform cannot be regarded as automatic; rather, they are increasingly conditional upon firms' capacity to meet higher compliance, transparency, and supply-chain standards.

5. Recommendations

To improve export performance in the Mexican market, Vietnamese footwear exporters should consider the following priorities. Firstly, compliance with CPTPP rules of origin should be treated as a priority when exporting. Mexico's national customs agency, ANAM, employs automated systems to compare the declared origin of products with the actual source of material. Therefore, heavy reliance on Chinese raw materials could trigger anti-circumvention investigations and result in the loss of CPTPP tariff preferences. Firms should gradually reduce their reliance on inputs purchased from non-CPTPP economies and increase domestic production or sourcing inside CPTPP member countries. At the same time, industry bodies such as Vietnam Leather, Footwear and Handbag Association (LEFASO) and the Ministry of Industry and Trade should speed up the development of the planned leather and footwear raw materials centre. This would expand domestic input supply, helping the sector reduce dependence on non-CPTPP materials while lowering the likelihood of origin verification failures in Mexico and other CPTPP markets.

Secondly, Vietnamese firms should invest in digital traceability infrastructure to meet Mexico's compliance requirements. Mexico requires exporters to maintain digitally accessible supply-chain records in real time, and exporters that cannot provide this documentation face the risk of post-clearance audits, rejection of certificates of origin, and potential reclassification to the 35% MFN tariff rate. Vietnamese firms should invest in digital traceability systems documenting input sourcing, production processes, and RVC calculations. For SMEs, these requirements pose some challenges. Unlike FDI manufacturers, which typically operate with specialized compliance teams and established documentation procedures, most Vietnamese SMEs in the footwear sector still rely on manual, non-standardized processes that are unlikely to withstand ANAM's automated post-clearance audits. To address this, VCCI and the Ministry of Industry and Trade should develop a standardized CPTPP origin documentation template suitable for Mexico's verification requirements, together with training programs on HS Chapter 64 rules of origin.

Thirdly, Vietnamese exporters should prioritize product segments with the largest tariff advantage. Mexico's 2026 tariff reform creates a 25-35% tariff barrier for non-FTA footwear

exporters, opening a competitive window for CPTPP members like Vietnam. Taking advantage of this, Vietnamese exporters should focus investment on three categories where the tariff gap is largest and production capacity already exists: leather footwear (HS 6403), rubber and plastic footwear (HS 6402), and textile-upper footwear (HS 6404). Although U.S. and Canadian suppliers benefit from USMCA access, their exports to Mexico concentrate on higher-end technical footwear, leaving the mass-market athletic and casual segments more open to Vietnamese competition. However, this opportunity may narrow as regional suppliers adjust, making early and focused investment in these categories essential.

Finally, industry associations and government agencies should monitor export trends closely and maintain open dialogue with Mexican counterparts to reduce the likelihood of trade disputes. Establishing partnerships with local distributors or maintaining a representative presence in Mexico can also improve market responsiveness and regulatory coordination. Vietnam's footwear sector may grow in the Mexican market in a steady and sustainable way by combining origin compliance, value upgrading, cautious risk management, and stronger local integration.

6. Conclusion

This study concludes that the CPTPP and Mexico's 2026 customs law reform have a combined impact on Vietnam's footwear industry, creating both significant opportunities and structural challenges. Although the CPTPP has already improved export performance by establishing rules of origin and gradually eliminating tariffs, the 2026 MFN tariff increases on non-FTA partners like China and Indonesia further amplify this advantage by increasing competitors' costs. However, Mexico's heightened standards require all parties, including Vietnamese exporters, to implement progressive changes to better meet these rigorous market demands. In particular, the Vietnamese footwear sector must address its heavy reliance on external raw materials by "cleansing" supply chains to meet RVC thresholds, implementing digital traceability to comply with Mexico's new ANAM oversight, and reinvesting tariff savings in brand positioning. This allows Vietnam to leverage this policy-driven window of opportunity into a long-term market stronghold in Mexico.

Despite these insights, several limitations must be acknowledged. First, because Mexico's new reform came into effect on 1 January 2026, the lack of post-reform data poses limitations to the comprehensiveness and objectivity of the study. In particular, accurately evaluating the trade diversion opportunity is currently impossible, although we acknowledge the importance of elaborating on trade diversion benefits. Second, the study assumes the 2026 Mexican tariff schedule will remain static; however, potential trade-remedy actions or shifts in USMCA dynamics, etc., could alter these projected outcomes.

Future research should adopt quantitative approaches using updated datasets to more accurately assess the magnitude of the reform's impact. Longitudinal and comparative analyses across CPTPP and non-CPTPP countries should be used to further clarify patterns of trade diversion and shifting competitive dynamics. In addition, firm-level studies can be used to generate more practical and actionable policy and business implications.

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