2013

Security First in Tijuana, Mexico

Perspectives on Safety & Security

A report compiling statistics and perspectives on safety and security for Mexico's northern border city of Tijuana, Baja California. Updated through the end of 2012, this document is a useful reference for companies currently doing or looking to do business in Tijuana.



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SECURITY FIRST IN TIJUANA, MEXICO

Perspectives on Safety and Security

Is Tijuana safe and secure for businessmen and executives?

ijuana is as safe as any modern city in the world today. Increased <u>industrial and manufacturing development</u> coupled with the more than 150,000 people crossing the border every day counter the glorified news reports of crime in the region.

While Mexico has drug violence, the majority of this violence is between drug cartels and is not targeted towards foreign businessmen or civilians. The following presentation and analysis show the latest crime and security trends, as well as comparisons to other major international cities. Many of the most recent figures continue to demonstrate that Tijuana is comparably as safe, if not more, than its global counterparts.

SECTION 1

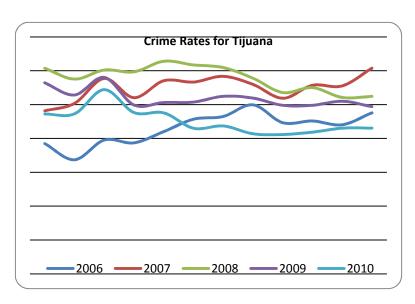
Crime on the U.S./Mexican Border

Crime Rates in Tijuana are Down

Crime is expected for any tourist or border town, anywhere in the world due to the transitory nature of people between countries. It is no different in Tijuana. However recent statistics show that increased security and <u>economic investment</u> are having a positive impact on the overall crime rate.

With its proximity to the US city of San Diego and the cooperative nature between both US and Mexican governments, Tijuana has historically harbored low anti-American sentiments and flourished with binational commercial and family ties.

Crimes against Americans are extremely rare given the fact that over 1 million Americans live in Mexico and over 40 million² people cross from San Diego into Tijuana each year.



Crime rates for the City of Tijuana are down and have been on a downward trend for the past several years. In early 2013, Tijuana Mayor Carlos Bustamante announced that kidnappings have fallen 74% since 2010.

What about all the violence shown on the news?

Homicide in Tijuana vs. Other Modern Cities

Tijuana was a low murder rate compared to other industrialized cities around the world. According to a February 2013 report from the Transborder Institute, the homicide rate in Tijuana is 21 per 100,000 inhabitants. This is down from the 41 reported in 2008.

In perspective, Tijuana is safer than the following major international cities:

City		Homicides Rate per 100,000 People
1)	Caracas, Venezuela	130 per 100,000
2)	New Delhi, India	83 per 100,000
3)	New Orleans, USA	67 per 100,000
4)	Cape Town, South Africa	62 per 100,000
5)	Syracuse, USA	62 per 100,000
6)	Port Moresby, New Guinea	54 per 100,000
7)	Washington, DC, USA	46 per 100,000
8)	Detroit, USA	40 per 100,000
9)	Baltimore, USA	37 per 100,000
10) Atlanta, USA 34 per 100,000		

Law Enforcement Strategy for Reducing Crime in Tijuana

Proactive efforts in the city showing positive results for 2012

Crime has gone down in Tijuana, primarily due to the efforts of Local/State and Federal police. The Municipal police unit has been restructured to ensure focus on crime prevention. In January 2013, the Tijuana Secretary of Public Safety announced that at the close of 2012 there was a 21% reduction in crime compared to 2009 statistics.¹ It's been several years since the first increased security pushes and it's starting to pay off.

Tijuana Security & Safety Improvements

- Between 2006 and 2007 Tijuana experience an increase in crime of 43% pushing it into the forefront of news media
- In 2008 and 2009 an aggressive security plan was implemented to fight the increase in crime
- The effect of this security plan have resulted in a significant downward trend in 2010 and continuing in 2011

Are municipal police efforts at crime prevention working?

Work plan developed by the Municipal Public Safety Office of Tijuana

The entire municipal police department was uprooted by first purging a third of the police force, indicting those found to have participated in organized crime. Training was provided in the use of firearms, proceedings and other tactics, as well as equipping the department with the necessary patrols, command centers, protective gear and communication networks.

End of 2012 Results:

- 9% decrease in crime over 2010 rates
- 21% decrease in crime over 2009 rates
- 55% reduction in homicides over 2010 rates

These enhancements and sectioning the police into local regions and the establishment of an accountability system, has increased the moral and professionalism of the police force. Long term efforts for improvements have been set forth to continue the fight against crime.

SECTION 3

International Companies and Businessmen Invest in Tijuana

Global Business leaders are not deterred

Over the last thirty years thousands of global companies have chosen to invest in the region. Executives and management teams frequently travel in and out without incident. These companies have done their own security due-diligence and concluded that Tijuana is as safe as any modern city in the world as evident by their continued investment and activities in the region.

Companies ⁵	Investments in the region in U.S. Dollars
Lockheed Martin	30,000,000 to 40,000,000
Sony	20,000,000 to 30,000,000
IBM	30,000.000 to 40,000,000
Nissan Motors	10,000,000 to 20,000,000
Cardinal Healthcare	30,000,000 to 40,000,000
Hyundai Motors	30,000,000 to 40,000,000
Gulfstream	40,000,000 to 50,000,000
Honeywell	30,000,000 to 40,000,000
Panasonic	20,000,000 to 30,000,000
Toyota Motors	20,000,000 to 30,000,000
General Electric	30,000,000 to 40,000,000
Samsung	30,000,000 to 40,000,000
Medtronic Medical	20,000,000 to 30,000,000
Kyocera	10,000,000 to 20,000,000
Smiths Group	20,000,000 to 30,000,000
Bose	1,000,000 to 10,000,000

As the United States' third-largest trading partner, Mexico exported \$257 billion worth of goods to the U.S. and imported \$200 billion in 2012. Increased manufacturing activities, business support services and a highly skilled labor force remain attractive benefits that many international businesses have and continue to enjoy.

Executives, heads of state & celebrities who have visited Tijuana in the last year:

Carlos Slim, Forbes Magazine richest man in the world

Al Gore, Former Vice President of the United States

Paul Jacobs, CEO of Qualcomm

Tetsuo "Ted" Agata, Managing Director of Toyota Motors

Henry Nordhoff, Chairman of Gen-Probe Inc.

Joel Cherkis, Chief Technical Officer of Microsoft

Tiger Woods, PGA Golf Champion

¹ Secretaria de Seguridad Publica Municipal, Tijuana

SECTION 4

Looking Ahead in 2013

Mexico's President Enrique Peña Nieto announced a new approach to combating crime, with an emphasis on targeting the roots of crime. Similar to crime prevention efforts already taking place by the municipal police in Tijuana, President Peña Nieto's new security plan only strengthens headway made by Tijuana's government.

What are the crime prevention strategies for this year?

San Diego's recently elected Mayor Bob Filner announced commitments to increase ties with its southern sister city of Tijuana. Included is the establishment of the first Tijuana branch office for the City of San Diego, set for Tijuana's downtown commercial district of Zona Rio. Collaborative efforts are now underway to establish a hotline between the two city governments as Mayor Filner defines a new cooperative effort to increase trade and tourism for their respective municipalities.

SECTION 5

Summary

Tijuana is safe for businessmen and Americans alike. Despite news glorification of violence in the region, Tijuana ended 2012 with marked security improvements and crime reduction. Efforts made by Tijuana municipal police over the last 5 years to combat corruption in the ranks, as well as improve security on the streets are proving effective.

Renewed commitments by Mexican President Peña Nieto and recent cross-city promotion by San Diego's Mayor Filner all point to a region friendly to business and safe for travel and work.

In addition to the growth in manufacturing and industrial production, <u>Mexico is also now one of the world's main exporters of IT services</u>, ranging from software to business process outsourcing such as call centers. With Mexico on the rise as a global player in manufacturing, over 70-fold growth in IT and Business

Process Outsourcing (BPO) exports over the last decade, and marked improvements in crime reduction over the last few years, expectations are that Mexico will continue to be not only a safe, but also a lucrative region for international business.

REFERENCES

Source Data:

- 1 Municipal Public Safety Office/State Attorney General Office http://www.segpubtijuana.gob.mx/
- Wikipedia Website http://en.wikipedia.org/wiki/Tijuana
- 3 U.S. State Department 2010 http://travel.state.gov/law/family_issues/death/death_600.html
- 4 Murder Rates from several websites
- 5 Invest in Mexico Website www.investinbaja.gob.mx

Contributing Organizations

- Municipal Public Safety Office of Tijuana http://www.segpubtijuana.gob.mx/
- 2) Call Center Services International www.bajacallcenters.com
- DEITAC (Tijuana Commerce) http://www.tijuana-edc.com/english/
- 4) SEDECO (State Economic Development Agency) http://www.bajacalifornia.gob.mx/sedeco/