



Bulletin

April 23, 2021

What will it take to lift current restrictions for “non-essential” crossings that have been in place for 14 months? Last year the number of travelers through our land ports fell by 38%. Both sides felt the economic earthquake which continues to damage our way of life. Add to this the opportunity costs of the missing new ideas, business, and relationships smothered by the prohibitions on movement.

The binational region has failed to move U.S. and Mexican federal authorities to act on the matter. Some proposals consider any restrictions nonsense and demand immediate reopening, whereas others ask for a gradual reopening. However, there has been no breakthrough. There also seems to be a double standard: Why are non-essential travelers allowed to go back and forth by air and not by land? Is it that there are better public health controls at airports?

With the immigration crisis taking center stage, any other pressing matters have fallen by the wayside. I believe that it is in our interest to advocate with **Vice President Harris, to urge her to give this issue the importance it deserves.** She is a Californian, understands the border, and has been given great responsibility on the immigration front.

Let's not leave the decision only with the **U.S. Department of Homeland Security.** Let's help the VP succeed by connecting with her and her staff and providing critical information on why opening is the best option. I call on our congressional delegation, California's governor, state senators and assemblymembers, leaders and staff at the business and economic development associations, the City of San Diego, and all relevant civic and governmental entities to help our cause.

Our Coalition will attempt to assemble some or all of these actors to promote a way to open the border. Below, on pages 3 and 4 you will see what we are proposing as a first step. A joint regional communication to VP Harris, CBP head **Chris Magnus** (if his nomination is accepted) and DHS Director **Alejandro Mayorkas** will send a very powerful message.

Our next online **Stakeholders Working Committee** meeting will convene on Zoom on **May 6th** from 9:00 to 11:00 a.m. Please register in advance at:

<https://us02web.zoom.us/meeting/register/tZApdOGhqTgrHtR1JhqQziqnamiJOfvTq1jf>. Attendance is free and incurs no obligations. All our meetings are stimulating and information-rich, with expert presenters.

After registering, you will receive a confirmation email containing information about joining the meeting.

I want to recognize **Alejandra Mier y Teran**, head of the **Otay Chamber of Commerce** (<https://www.otaymesa.org/home/>), for her crusade for essential traveler vaccination. The chamber launched a **Vaccination Clinic** on March 10th that has administered over **6,000** doses with an objective of **10,000**. Some of those efforts include cross-border truck drivers who have been essential actors in effective distribution of product to our region during the pandemic. The initiative is a first of its kind at the U.S.-Mexico and U.S.-Canada borders. It is the kind of collaboration that could be transformative for the border.

Notwithstanding **AMLO's** energy policies, **ENOVA**, a subsidiary of Coalition member **SEMPRA Energy**, the company continues to place confidence in their ability to operate in Mexico by acquiring the remainder of the Tecate wind plant they didn't own. They paid \$80 million to former partner **Saavi**, and now own 100% of **Energía Sierra Juárez**, a cross-border wind generation complex near the city of Tecate.

The complex has an installed capacity of **155 megawatts**. The second phase already under construction will add another **108 megawatts**. The current wind turbines electrify over 30,000 homes in San Diego County.

Increasingly, I am seeing **nearshoring for software development**, and our region could be the **epicenter** for it if it plays its cards right. Companies in San Diego and beyond are exploring setting up software operations in Mexico, not unlike what we have seen with **Thermo Fisher Scientific**'s software center in Tijuana (www.thermofisher.com; <https://www.sandiegouniontribune.com/news/border-baja-california/sd-me-thermofisher-software-tijuana20161019-story.html>). Thermo Fisher employs 200 engineers. **DexCom**, a renowned medical device company (www.dexcom.com), has also used the services of Mexican engineers, setting up an outsourced software development arm in Tijuana.

These events are part of the new role that **Baja California** must play in a more interconnected North American ecosystem. Baja could recast itself as a “**creative industries**” hub, with activity in software development of course but also in **nanotechnology, gaming, film, and fashion**.

Maritza Díaz of **ITijuana** (<https://itijuana.com/>) has pioneered the move toward making Baja a software development hub. She came from Ecuador and spent almost two decades at **Life Technologies** and **Thermo Fisher**, where she started their software development lab from scratch, building it up to 200 developers. Maritza decided to strike out on her own and create iTijuana for the purpose of enabling technology centers of excellence by partnering with California companies.

So far, she has five operations under her belt. **ITijuana** not only recruits software engineers to a company's specifications, but it also formally hires them on behalf of clients and sets them up in Tijuana with proper housing.

Another trailblazer is **Framework Science** (<https://www.fwscience.com/>). I've known the company's two founders, **Jesus Romero** and **Lonnie McRorey**, since 2015 and recently spoke with both about cross-border opportunities. As stated on their website, FS provides a proven, proprietary recruiting process

automation algorithm that mitigates risk and closes the gap on finding the right candidate among 1.5 million technical resources in Mexico, aligned to companies' cultures.

They are visionaries who have had great success out of their Tijuana offices, and they have expanded to the Bay Area, Ensenada, San Diego, Monterrey, Guadalajara, and Mexico City.

They also call themselves a **philanthropic U.S./Mexico Bi-national Nearshore Software Engineering Excellence Center**. They are willing to give of their time and treasure to support border related technology and innovation causes.

Border restrictions were extended another month. It almost seems that non-essential border restrictions are on autopilot. Are we ever going to get back to normal?

Our coalition supports a pilot at the **SENTRI** lanes in San Ysidro or Otay to start asking program participants to upload their personal vaccination information onto the GOES (Trusted Traveler) platform already being used at U.S. Customs and Border Protection.

Our proposal is modeled after what our friends in the **Washington State-British Columbia** region are attempting to put into place.

This pilot project uses the SENTRI program as a platform to test a health pre-clearance process for two reasons: 1) primary processing for SENTRI members ensures a touchless environment; 2) SENTRI members can be notified directly and invited to participate in the pilot project.

To conduct this pilot project, the following parameters must be met:

1. Establish testing/vaccination standards (type, timing, and validity)
2. Add this component to the SENTRI screening process.
3. Add a field for data submission to the GOES (Trusted Traveler Programs) online platform.

4. Exempt successful applicants from non-essential restrictions.

The Smart Border Coalition continues working with **University of California, San Diego's Rady School of Management** for a **border dashboard** of critical information to shed light on border operation. This transcends the typical research project, master plan, or white paper on border issues. It will, I hope, approximate real-time assessment of our border. Rady's Lab to Market course students under **Professor Amy Nguyen-Chyung** will be presenting their findings at the end of May.

The **Border Fusion Group, Smart Border Coalition, Tijuana Innovadora** and key leaders for the San Diego-Tijuana **World Design Capital** bid met with **SANDAG Executive Director Hasan Ikhata** to discuss the importance of Binational Border Crossing Districts. These are binational creative zones where a growing cohort of creative industries such as software development, call centers, fashion, nanotechnology and others could coexist.

Young and vibrant creative professionals energizing the contiguous U.S. and Mexican border districts in the region would start dispelling the mostly negative images associated with areas closest to our ports of entry.

The concept, in the words of Border Fusion's **Miguel Aguirre** is that "by default, due to costly border-wait times, San Ysidro-Tijuana cross border districts must become more effective vs pass-thru efficient. In other words, if Otay Mesa is macro-economic, San Ysidro-Tijuana should be micro-economic and more people-centered for wielding an International, strategic sense of place. Such urban branding will attract global best practices investment, creative industries, and a value-added innovation culture. By strategically formulating the binational relationship where inherently it is strongest and most authentic, our Mega-Region can become galvanized, more productive, and economically secured in facing outside threats."

It was the group's position that **SANDAG** must take this into very serious consideration for any transportation plan. Indeed, the areas surrounding ports of entry should also be destinations.

Ikhtrata believes that the border is critical for social equity and economic development. San Ysidro is the second-largest mobility hub in the San Diego county. He is willing to work with binational organizations to endow the border with the importance it deserves.

The **U.S. Customs and Border Protection Passenger Meeting** met the week of April 12. Watch Commander **Alvaro Delgado** of the **San Ysidro Port of Entry** stated that pedestrian crossings were at 12,800 and vehicle crossings 39,000 per day.

In April of 2019 an average of 29,032 daily pedestrians and 40,807 vehicles were crossing. So 2021 numbers are **44% off for pedestrians** but **only 4.5% off for vehicles**. This tells me that there are many more Mexican nationals who cross on foot than in vehicles. Not too long ago, vehicle crossings were down 20-30%. Did U.S. citizens and green card holders simply hold off from crossing for months even though they could and are now doing so because the San Diego economy is opening?

The **“Emerging Stronger After COVID-19: Calibaja Working Group”** led by the **Center for U.S.-Mexican Studies** met for the 14th time last week. The conversation focused on cultural economics and covid-19. I was amazed to hear incredible stories of perseverance and resiliency in the arts that have been hit hard by the public health crisis.

I was heartened to learn from **Jose Galicot** that the **Baja California Symphonic Orchestra** has not stopped performing since the pandemic began. I was astonished to hear that the **Baja Culture Secretariat** has had 60 activities per month, has invested in a digital platform that is here to stay and that there have been 30 new book titles from Baja authors published in the last 12 months!

The **San Diego Museum of Art** expanded its capacity to collaborate by creating a digital platform that has opened new doors with the **San Diego Opera** and the **San Diego Symphony**. As one executive commented, there is a

psychological aspect to art that we saw even more clearly during the pandemic. “Art heals.”

I have been getting to know the **U.S.-Mexico Foundation** (<https://www.usmexicofound.org/>) over the last six months. I am impressed with what Executive Director **Enrique Perret** has been doing. He is focused, direct, and hard-working and is laying the groundwork with large and prestigious Mexican and U.S. companies to give his organization a quantum leap in stature.

The foundation has invited me to speak in the **Science, Technology, and Entrepreneurship workshop** that will take place on **May 19, 2021**, specifically in **Session III: From POE to Smart Borders** from **11 a.m.-noon Pacific Time** alongside Juan N. Cento (Fedex), José Martín (IDB), the Honorable Ken Roy (U.S. Consulate General in Hermosillo) and Tiffany Melvin (NASCO). During the session, we will be discussing the modernization of ports of entry with public-private partnerships, security cooperation, and ideas to create a more efficient and effective cross-border partnership.

The workshop has been inspired by the **Mexico-United States Entrepreneurship and Innovation Council (MUSEIC)** –a mechanism that laid the foundations of a binational network of entrepreneurs between 2013 and 2018. During this binational meeting, organized by civil society and the private sector, experts from both sides of the border will interact with other participants about the diverse issues surrounding Mexico’s growing technology and entrepreneurship communities.

Mattt Rooney, director of the **Bush Institute-SMU Economic Growth Initiative at the George W. Bush Presidential Center** (<https://www.bushcenter.org/explore-our-work/issues/economic-growth.html>), and I wrote an op-ed for the **the San Diego Union-Tribune** this week about what the term “secure borders” means. The Smart Border Coalition has collaborated with the institute for years, and we find that it is an important voice for deep thinking and moderation that is useful for policy making at the border. Our key idea is that the concept of secure borders shouldn’t begin or end at the border.

Please see

https://edition.pagesuite.com/popovers/dynamic_article_popover.aspx?guid=48a4c3e5-5e2a-4f90-a9f4-4ae039bbb598&v=sdk

Thank you,

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