

PORT TO PORT: SAN DIEGO & ENSENADA MARITIME INFRASTRUCTURE

FRONTERA FRIDAY ISSUE BRIEF NO. 5

Frontera Fridays are quarterly events that connect leaders from both sides of the border to UC San Diego and serve as a platform for learning, networking and discussing opportunities and challenges that make our binational region unique. They are organized by the Center for U.S.-Mexican Studies (USMEX) at the School of Global Policy and Strategy (GPS) and the Urban Studies & Planning Program (USP) and honor the legacy of Chuck Nathanson and the San Diego Dialogue.



The vast majority of trade between California and Mexico is transported by truck through commercial crossings at Otay Mesa and Calexico East. However, our region is uniquely positioned to engage in global trade by leveraging our location on the Pacific coast with direct sea routes to Latin American and Asia. Worldwide, more than 9.5 billion metric tons of goods are transported by sea each year and as the expansion project to double the capacity of the Panama Canal nears completion additional maritime trade will naturally flow to this region.

Adjacent to our region, the Mega Ports of Los Angeles and Long Beach move the largest volume of goods by sea into and out of the United States and are the primary destination for imports from China. Both of these ports were created by massive dredging of shallow mudflat areas, building miles of infill and breakwaters specifically to accommodate trade supported by rail lines. From Los Angeles, well-developed rail and highway infrastructure transports goods throughout North America. However, the capacity of these ports is overloaded with increasing frequency, creating costly delays and causing shippers to look to alternative ports for more expeditious service.

By contrast, San Diego and Ensenada are blessed with natural bays and were able to create deep harbors to accommodate large ships with relatively minimal investment in dredging. Ensenada's harbor sits at the center of the large Bahia de Todos Santos and San Diego's Harbor is protected by the Coronado Peninsula and Point Loma. These ports generally provide services that complement our neighboring Mega Ports without engaging in direct competition.

San Diego serves niche bulk markets which do not require containerized shipping. As a result, it boasts the largest refrigeration facility at a West coast port to receive and send agricultural products, particularly fruits from Central and South America. In addition, the port has become the largest import/export facility for automobiles in California. More recently, it has also become a key import point for windmill turbines to support new renewable energy projects in Imperial County and Baja California. Ensenada, on the other hand, has invested in the infrastructure necessary for modern containerized shipping and serves in part as an overflow valve to the overcrowded Los Angeles and Long Beach facilities.

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Beyond their roles in importing and exporting goods to and from our region to Asia and other ports around the world, both Ensenada and San Diego contribute to the region's economy by hosting ship building yards and commercial fishing fleets. They also provide for a variety of tourist and recreational activities including cruise ships, sport fishing excursions, leisure boat marina docks, hotels, restaurants and shopping venues. San Diego also serves as the homeport for the U.S. Navy's Pacific Fleet, a major Naval Air Station, and other Navy facilities, as well as a National Wildlife Refuge.

Both local ports are limited in their ability to grow the cargo portion of their business because of the lack of an east-west rail connection to the central regions of the U.S. and Mexico. Most goods brought into San Diego or Ensenada must be transported by truck or infrequent rail service to Los Angeles for shipment to the rest of North America. Mexico is in the process of investing to create a rail line from Ensenada to the border with the U.S., but for this project to realize its full potential, the binational regional rail line from San Diego through Tijuana and Tecate to Imperial Valley must be modernized and reopened through the Carrizo Gorge.

Our region's ports are important assets that face common challenges requiring cross-border cooperation and innovative thinking. What investments are we prepared to make in both the maritime and rail infrastructure necessary to expand trade capacity? How do we want to balance trade infrastructure and tourism infrastructure to best take advantage of both? How do we engage in appropriate land use planning for adjacent urban areas governed by local/municipal jurisdictions separate from the government authorities charged with port operations and investment? Serious attention to these questions is necessary to ensure that we position the region to maximize our participation in global trade and to continue to attract and grow global companies.

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