



Mexico: Annual Cargo Theft Report 2023



Table of Contents

1. Executive Summary	Page 3
2. Mexico: Annual Cargo Theft Report	Page 4
a. Spatial Analysis of Cargo Theft	Page 4
b. Analysis of the 10 States with the Highest Number of Cargo Thefts	Page 5
c. Temporal Analysis of Cargo Theft	Page 6
d. Cargo Theft by Product Type	Page 7
e. Cargo Theft by Type of Location	Page 8
3. Spotlight 2023: Circuito Exterior Mexiquense, a Partner in Security with Overhaul	Page 8
4. Success Story 2023: Overhaul - CEM	Page 11
Agrochemical Recovery	Page 11
5. General Recommendations	Page 11



Executive Summary

The Mexico Annual Cargo Theft Report 2023 examines the evolution of crime in Mexico in comparison to the previous year. It is meant to help decision makers reduce risk in their operations.

Cargo theft remains one of the main problems affecting the country's supply chains. During 2023, cargo theft increased both in number and in the level of violence employed. According to the National Public Security System (SNSP), cargo theft increased 3.9% over the previous year, of which 86% of events involved some type of violence. This indicates that at least eight out of every ten cargo thefts involved some type of violent behavior.

In January 2024, major trucking associations announced the mobilization of their members in several states to raise awareness of the situation and request support from the government.

Throughout the year, Overhaul is constantly monitoring cargo theft and gathering data from a variety of sources, including open-source events and information shared within the industry. By compiling this information, Overhaul is able to identify the spatial and temporal patterns in cargo theft countrywide, allowing for more effective planning that responds to the particular needs of each route.

During 2023, Overhaul recorded 20,746 cargo thefts. This figure represented an increase of 3.1% compared to 2022 and 4.4% over 2021.

The Central region concentrated the highest percentage of cargo theft in the country with 62%. In an analysis by state, the state that presented the most significant change in 2022 was Puebla (21%).

Regarding temporal patterns, criminal activity continued to be grouped primarily between Monday and Friday, with 84% of the crimes. The criminal patterns recorded during the year reflected that the time frame with the highest risk was the early morning hours (from 12 a.m. to 6 a.m.) with 31% of the thefts.

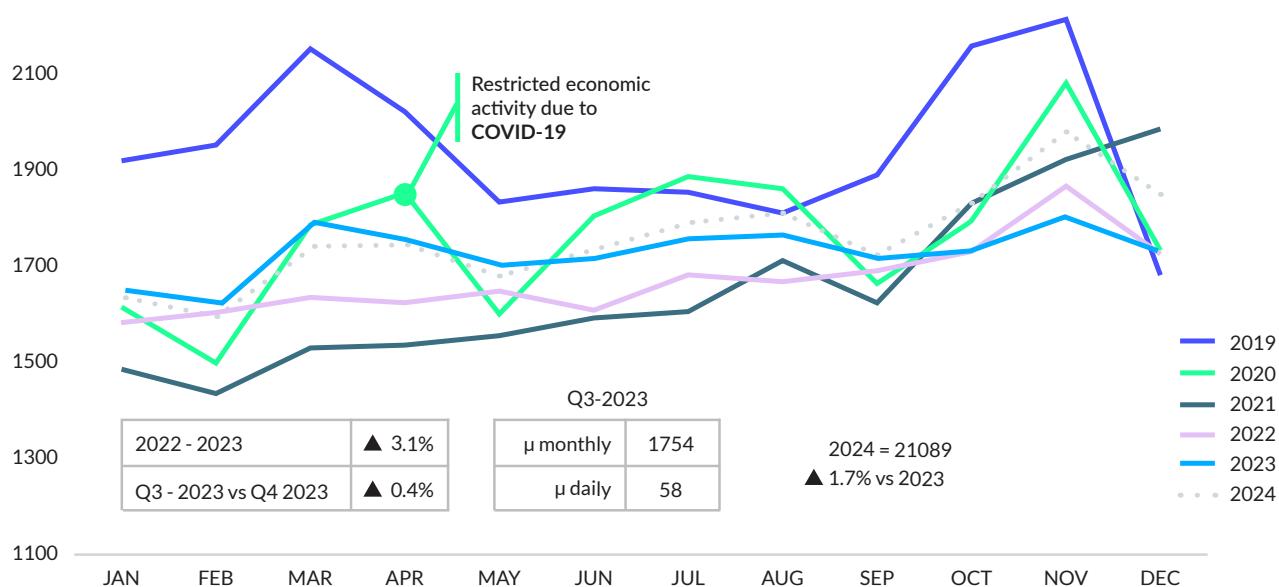
According to projections, Overhaul estimates a 1.7% base increase in cargo theft by 2024.





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Chart 1: Annual Comparison - Cargo Theft in Mexico



Spatial Analysis of Cargo Theft

Quadratic analysis of the country's territory indicates a concentration of 81% of cargo thefts during 2023 within the fourth quadrant (C4 - Central & Southeast Region).

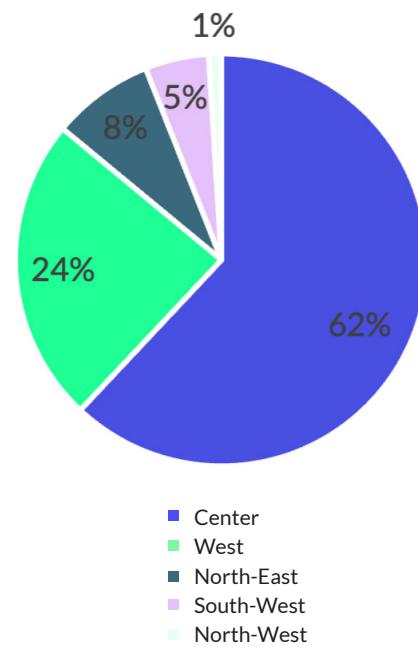
The Central region (62%) includes four of the ten states with the highest levels of cargo theft: State of Mexico, Puebla, Hidalgo and Tlaxcala, as well as part of the State of Querétaro. The third quadrant (C3 - Central & Western Region) represents the second highest number of thefts (11%). This quadrant includes part of the states of Zacatecas, Michoacán, Guanajuato, and Colima.

During the third quarter, the proportion of cargo theft crimes at the regional level remained stable. The Central region leads the list with 65% of the events recorded. This region contains the states of State of Mexico and Puebla, which occupy the first two places on the national cargo theft lists.

In Q3-2023 the most significant variation occurred in the West region, which decreased from 26% to 21% in cargo theft crimes. That percentage then shifted to the Central (+3), Southeast (+1), and Northeast (+1) regions.

It is worth mentioning that the variations in the distribution of cargo thefts by quadrant and by region only show the geographic displacement of criminal activity, but not its decrease.

Chart 2: Cargo Theft by Region 2023





Analysis of the 10 States with the Highest Number of Cargo Thefts

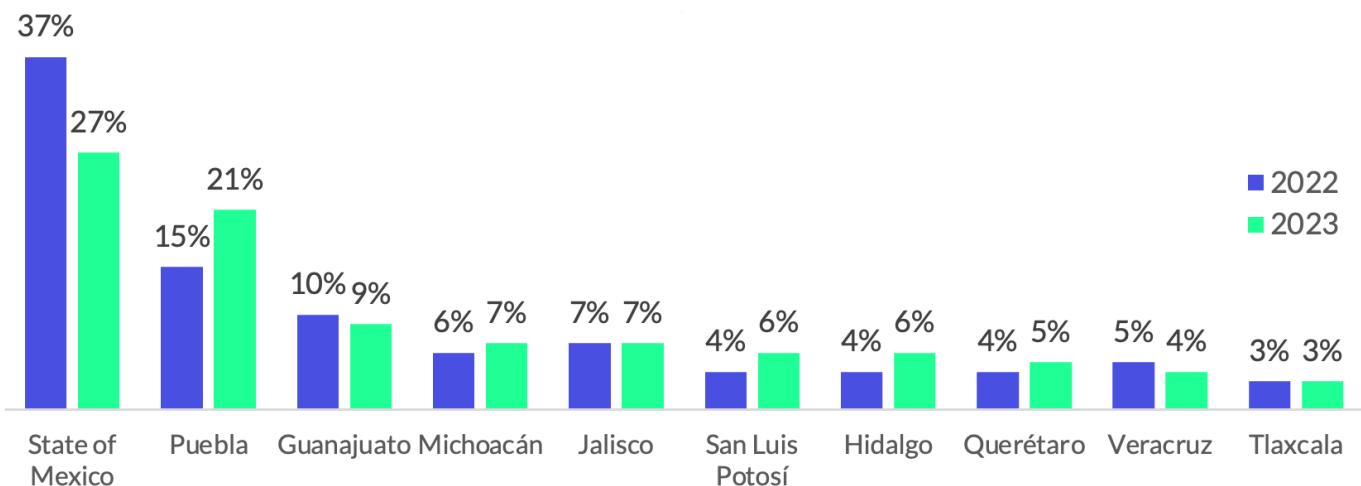
In 2023, 95% of the cargo thefts registered in Mexico were clustered in ten states. With respect to 2022, there were no significant changes in the period analyzed.

The State of Mexico accounted for 27% of cargo thefts in 2023, which represented a decrease of 10 percentage points compared to 2022; however, this entity continues to be in first place at the national level. The State of Puebla accounted for 21% of the crimes at the national level, with a variation of 6 percentage points higher than in 2022.

Several other states experienced an increase of +1 or +2 percentage points, including San Luis Potosí, Hidalgo, Michoacán, and Querétaro. According to the National Public Security System (SNSP), 86% of cargo theft events were committed with violence in 2023. The entities with the highest percentage of theft with violence were State of Mexico (46%), Puebla (32%), and Michoacán (7%).



Chart 3: Load Theft by State 2022-2023



Temporal Analysis of Cargo Theft

In 2023, 84% of cargo thefts occurred between Monday and Friday. The peak of criminal activity was recorded on Tuesdays and Wednesdays with 19%, followed by Thursdays (18%). As in 2022, Saturdays and Sundays had a lower incidence with 10% and 6%, respectively.

The hours with the greatest risk for cargo transportation during 2023 were between 12 a.m. and 12 p.m. From 12 a.m. to 6 a.m., 31% of the crimes were concentrated, whereas from 6 a.m. to 12 p.m. there was a 26% rate.

Chart 4: Cargo Theft per Day of the Week 2023

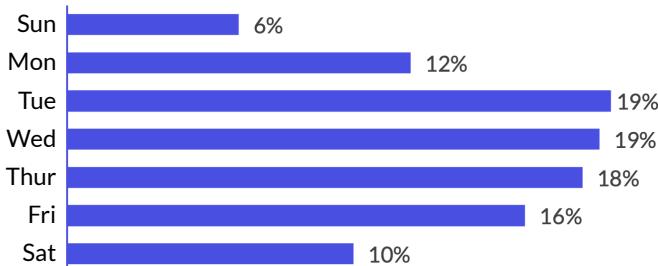
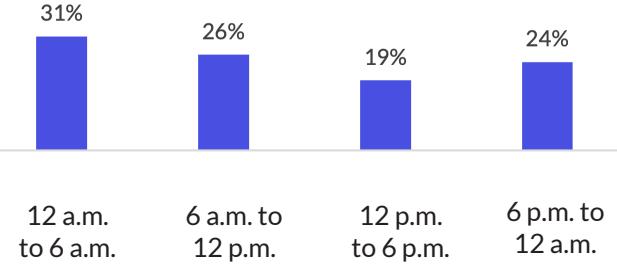


Chart 5: Cargo Theft in Mexico by Time



Source: Own development with data from Overhaul Intelligence Center

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Cargo Theft by Product Type

The three most stolen product types during 2023 were *Food & Drinks* (29%), *Building & Industrial* (12%), and *Miscellaneous* (11%).

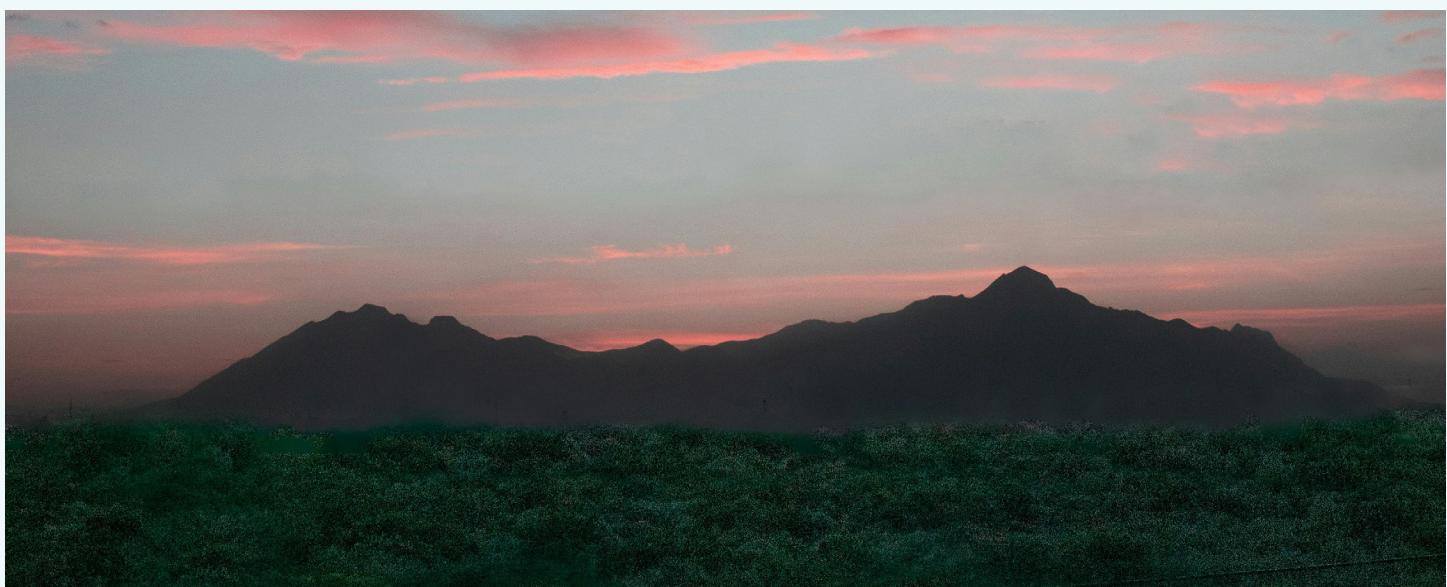
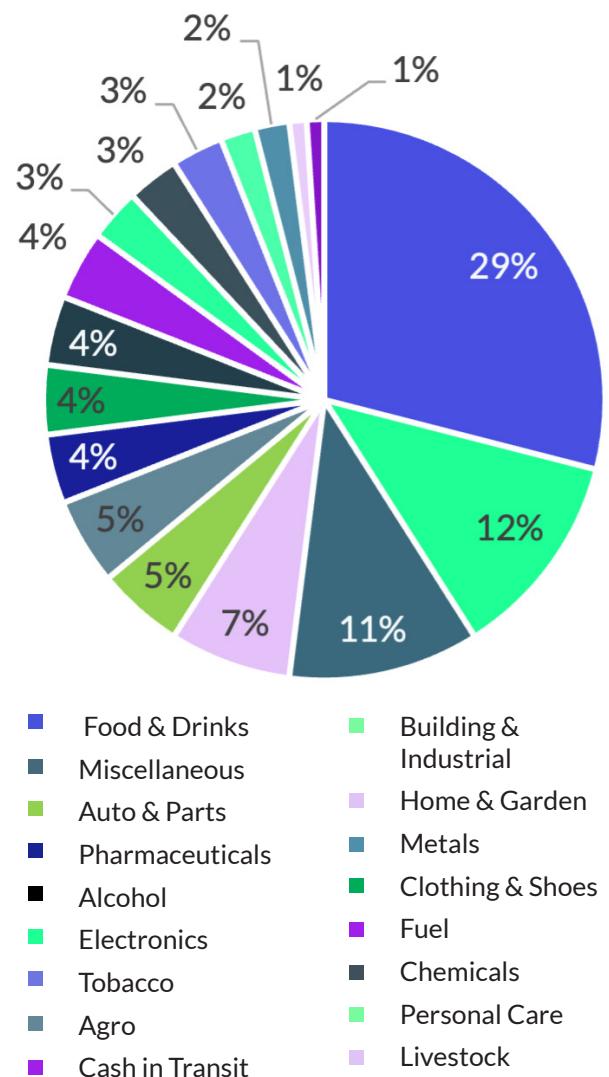
The most significant increases corresponded to the categories of *Autos & Parts* (5%), *Clothing & Shoes* (4%) and *Pharmaceuticals* (4%).

In the 2023 quarterly reports, the *Auto & Parts* category remained in the top five. In 2022, this category was in seventh place among the most claimed products; by 2023 it presented an increase that placed it in fifth place. Within the category, the following distribution was recorded: Parts and Liquids at 29%, Vehicles at 28%, and Tires at 24%. Most of the crimes were recorded in the State of Mexico (18%), Puebla (15%) and Guanajuato (13%).

The *Clothing & Shoes* category moved up from twelfth to eighth place. Thefts in this category were divided into three main subcategories: Textiles (39%), Apparel (29%), and Shoes (22%). In 2023, the months with the highest concentration of *Clothing & Shoes* thefts were March (19%), May (11%), and September (11%).

Thefts in the *Pharmaceuticals* category rose from eighth to seventh place. Merchandise stolen during the year corresponded to the subcategories of Medicines 54%, Nutritionals (17%), and Medical Equipment & Supplies (17%). The majority of *Pharmaceuticals* thefts were recorded in Jalisco (24%), State of Mexico (17%), and Hidalgo (14%).

Chart 6: Cargo Theft by Product Type 2023



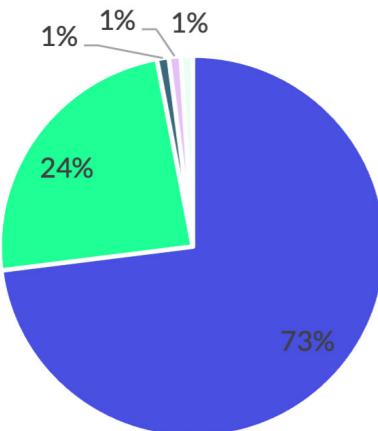


Cargo Theft by Type of Location

In-Transit unit thefts maintained the trend registered in 2022, with 73% of the thefts. Theft from units in *Unsecured Parking* increased 2 percentage points over the previous year, accounting for 24% of the incidents.

- In-Transit
- Unsecured Parking
- Truck Stop/Fuel Station
- Boarding House/Carrier Facility

Chart 7: Theft by Type of Location 2023



Spotlight 2023: Circuito Exterior Mexiquense, a Partner in Security with Overhaul

Aleatica is the concessionaire of the Circuito Exterior Mexiquense (CEM), a 117-kilometer-long highway that crosses 19 municipalities in the State of Mexico. This important highway connects the metropolitan area of the Valley of Mexico with the states of Querétaro, Puebla and Hidalgo. Every day, around 320,000 vehicles transit through the CEM, for which reason a number of major initiatives, actions and agreements with authorities have been implemented to provide its users with safe roads.

At the beginning of 2023, the "Safe CEM" program was implemented in conjunction with the Secretary of Security of the State of Mexico, the General Directorate to Combat Vehicle and Transportation Theft (DGCRVyt), the State of Mexico Prosecutor's Office and the C5 of the State of Mexico. This strategy has reinforced the monitoring of the CEM Control Center, which operates through a video surveillance system in real time (24/7) employing 92 cameras, which will be increased to 216 by the first half of the year- and covering almost 100% of the roadway. Another reaction mechanism is the exclusive channel linking the State Radio Communication Network with the surveillance cameras of the CEM Control Center and the C5 units in Ecatepec. Furthermore, there are 16 checkpoints at entrances and exits along the roadway.

In 2023, this security strategy achieved a 52% reduction in thefts to users and increased the number of arrests of suspects by 118%.

Chart 8: Monthly trend of thefts on the Mexican Ring Road (CEM)
2022 vs 2023

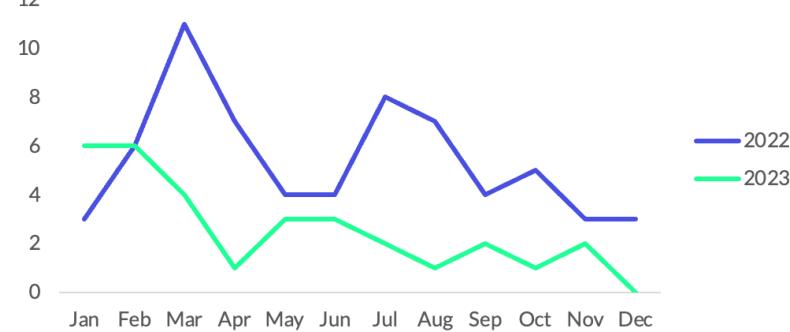


Chart prepared
by the Overhaul
Intelligence Center
with data compiled
by Aleatica.

Aleatica-Overhaul Alliance

To strengthen security, a united front is essential. This is why Overhaul and Aleatica agreed to a strategic alliance in 2023. Overhaul is a technological platform company with solutions for logistics operations that generates actionable intelligence to mitigate risk in the supply chain. The goal of the Overhaul and Aleatica alliance is to share best practices and intelligence that will strengthen CEM security. This alliance comes as a complement to the constant communication between state authorities and representatives of the trucking industry, providing more accurate information in order to implement new projects that will strengthen security.

In 2023, Overhaul detected a 48% decrease in cargo theft incidence at CEM. About 58% of freight thefts were concentrated in the Jorobas (Terminal 0)-Tultepec (Terminal 1) section. The municipalities with the highest percentage of cargo theft were Nextlalpan (25%), Ecatepec (13%), Teoloyucan (13%), Huehuetoca (9%) and Chimalhuacán (6%).

On this highway, 88% of the criminal activity occurred from Monday to Friday with peaks on Tuesday (18%), Thursday (30%) and Friday (21%). A total of 75% of cargo thefts occurred at night, between 6 p.m. and 6 a.m.

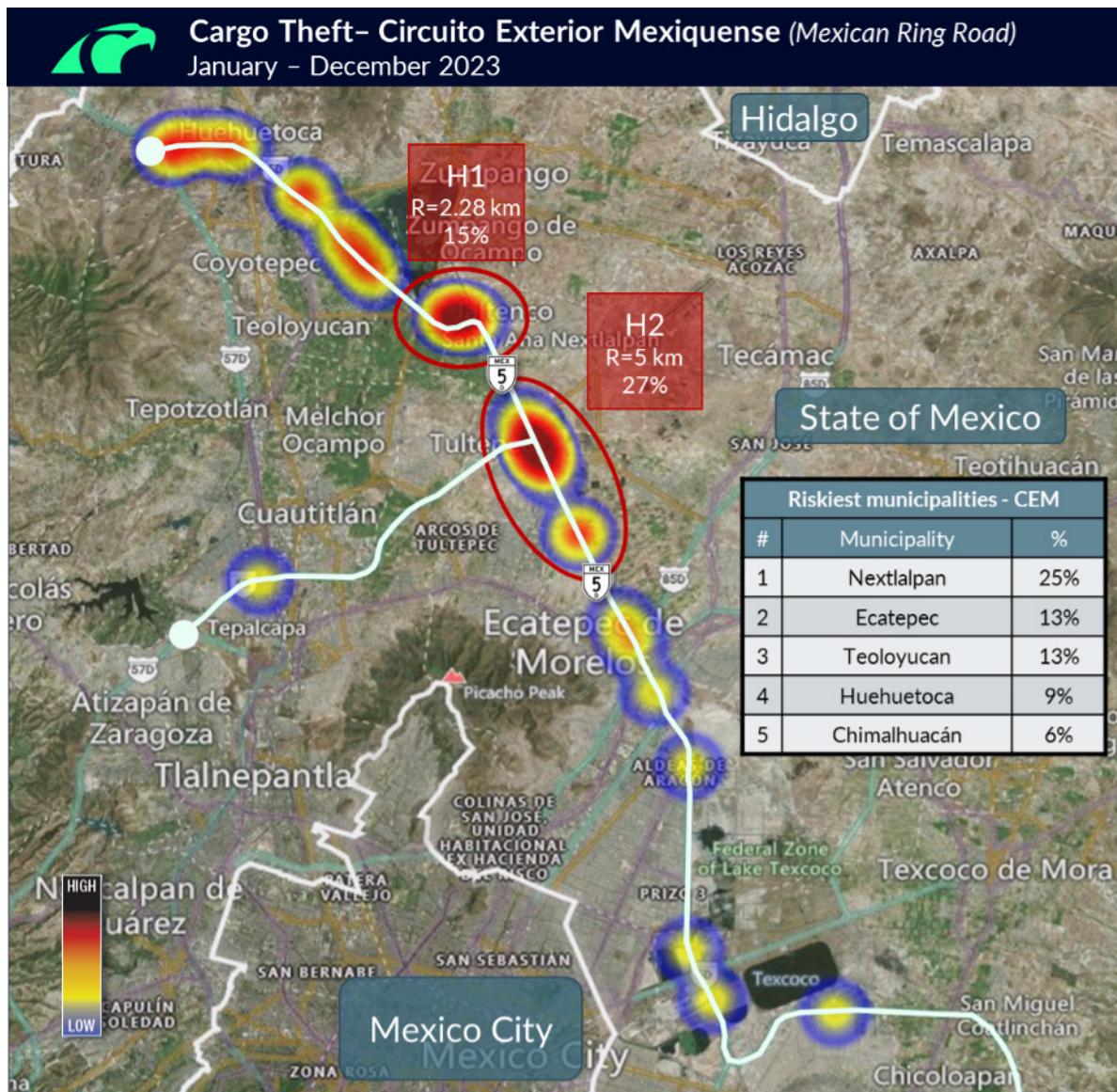


Chart 9: Cargo Theft per Day of the week CEM 2023

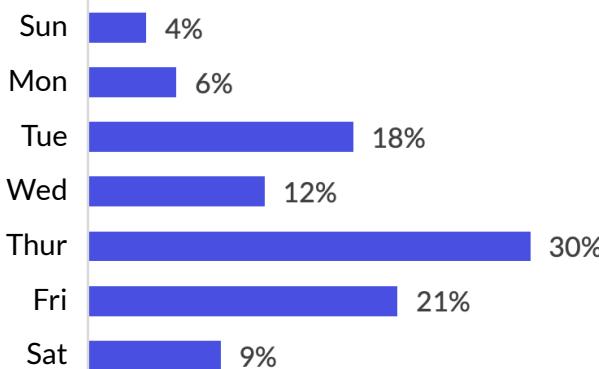
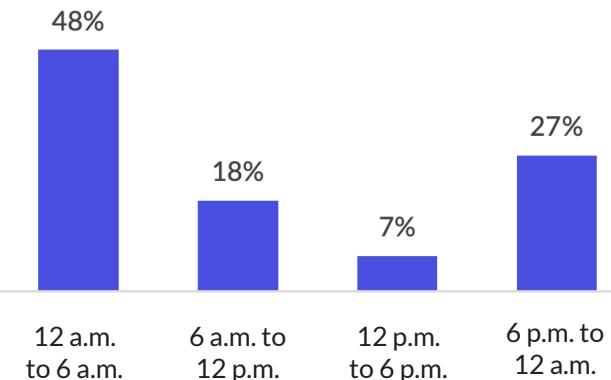


Chart 10: Cargo Theft per Schedule CEM 2023



Source: Own development with data from Overhaul Intelligence Center

Source: Own development with data from Overhaul Intelligence Center

One of the success stories of the Aleatica-Overhaul alliance occurred at the end of 2023 at the CEM, involving the recovery of a shipment of agrochemicals.



Success Story 2023: Overhaul - CEM

Agrochemical Recovery

In November 2023, Overhaul recovered a tractor-trailer after it was stolen on the 132 KM of the Querétaro-México Highway (MEX-57D). The theft took place at 1 p.m. in Polotitlán, State of Mexico, while the unit was in transit. Armed men aboard an older model white Caravan van and a gray Pointer intercepted the unit after it crossed the Polotitlán toll booth.

Unable to establish contact with the driver, the Overhaul Monitoring Center initiated an emergency protocol by contacting the corresponding authorities in the States of Mexico and Hidalgo and requesting that the engine stop be applied.

The criminals continued driving towards the Mexican Ring Road (Circuito Exterior Mexiquense). Overhaul's alliance with Aleatica allowed us to obtain an immediate response from the authorities on this highway, as the vehicle was located by video surveillance cameras in only ten minutes. The unit was abandoned by the criminals due to the police operation, allowing the recovery of the cargo with the security seals intact.



General Recommendations

Some general recommendations for cargo units transiting the country are to use a combination of physical and electronic security measures, as well as to transport cargo during daylight hours. Electronic security and monitoring measures reduce various cargo risks; therefore, Overhaul recommends that these measures be present in all cargo units transiting through Mexico, especially in units moving through the Central region.

Overhaul's risk monitoring platform integrates various actors in the supply chain to ensure timely alerts regarding risk situations and that all parties involved are in constant communication.