

**Best Export Markets
for
U.S. Security and Safety Equipment, 2008**

Best Export Markets for U.S Security and Safety Equipment was compiled by Eynat Atia, under the supervision of Maurice Kogon, Director of the El Camino College Center for International Trade Development (CITD) in Hawthorne, California. The report is based largely on 2008 Country Commercial Guides (CCGs) prepared by United States Commercial Service (USCS) posts abroad. All CCGs include a standard chapter "Leading Sectors for U.S. Exports." This report drew from those CCGs which specifically recommended Security and Safety Equipment as a best prospect for U.S. exports.

CENTER FOR INTERNATIONAL TRADE DEVELOPMENT
13430 Hawthorne Blvd, Hawthorne, California 90250 USA
<http://elcamino.citd.org>

Phone: (310) 973-3173

Fax: (310) 973-3132 E-mail: mkogon@elcamino.edu.

**Best Export Markets
for
U.S. Security and Safety Equipment, 2008**

Table of Contents

	<u>Page</u>																																	
I. Export Market Brief	3																																	
II. Market Potential Indicators																																		
A. Top 30 U.S. Export Markets, 2005-2007 – Products in HS 8531	4																																	
B. Top 30 World Importers, By Country, 2007 - HS 8531	5																																	
C. Top 30 World Exporters & U.S. Market Share, 2007 – HS 8531	6																																	
D. Market Sizes & U.S. Share by Country, 2007	7																																	
III. Best Prospect Market Assessments	8-57																																	
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">▪ Argentina</td> <td style="width: 33%;">▪ Israel</td> <td style="width: 33%;">▪ Romania</td> </tr> <tr> <td>▪ Bulgaria</td> <td>▪ Italy</td> <td>▪ Russia</td> </tr> <tr> <td>▪ Canada</td> <td>▪ Jamaica</td> <td>▪ Saudi Arabia</td> </tr> <tr> <td>▪ Columbia</td> <td>▪ Macau (China)</td> <td>▪ South Korea</td> </tr> <tr> <td>▪ Czech Rep.</td> <td>▪ Mexico</td> <td>▪ Spain</td> </tr> <tr> <td>▪ Finland</td> <td>▪ Netherlands</td> <td>▪ Sweden</td> </tr> <tr> <td>▪ France</td> <td>▪ Norway</td> <td>▪ Switzerland</td> </tr> <tr> <td>▪ Georgia</td> <td>▪ Panama</td> <td>▪ Thailand</td> </tr> <tr> <td>▪ Honduras</td> <td>▪ Philippines</td> <td>▪ Ukraine</td> </tr> <tr> <td>▪ Hong Kong</td> <td>▪ Poland</td> <td>▪ Vietnam</td> </tr> <tr> <td>▪ Indonesia</td> <td>▪ Qatar</td> <td></td> </tr> </table>	▪ Argentina	▪ Israel	▪ Romania	▪ Bulgaria	▪ Italy	▪ Russia	▪ Canada	▪ Jamaica	▪ Saudi Arabia	▪ Columbia	▪ Macau (China)	▪ South Korea	▪ Czech Rep.	▪ Mexico	▪ Spain	▪ Finland	▪ Netherlands	▪ Sweden	▪ France	▪ Norway	▪ Switzerland	▪ Georgia	▪ Panama	▪ Thailand	▪ Honduras	▪ Philippines	▪ Ukraine	▪ Hong Kong	▪ Poland	▪ Vietnam	▪ Indonesia	▪ Qatar		
▪ Argentina	▪ Israel	▪ Romania																																
▪ Bulgaria	▪ Italy	▪ Russia																																
▪ Canada	▪ Jamaica	▪ Saudi Arabia																																
▪ Columbia	▪ Macau (China)	▪ South Korea																																
▪ Czech Rep.	▪ Mexico	▪ Spain																																
▪ Finland	▪ Netherlands	▪ Sweden																																
▪ France	▪ Norway	▪ Switzerland																																
▪ Georgia	▪ Panama	▪ Thailand																																
▪ Honduras	▪ Philippines	▪ Ukraine																																
▪ Hong Kong	▪ Poland	▪ Vietnam																																
▪ Indonesia	▪ Qatar																																	
IV. Trade Events	58																																	
V. Available Market Research	59-60																																	
VI Appendix: Products in Security and Safety Equipment, by HS Code	61																																	

I. Export Market Brief

Security and Safety Equipment – HS 8531

This Market Brief provides an overview of the world market for one category of U.S. Security and Safety Equipment, **HS 8531: Electric sound or visual signaling apparatus (bells, sirens, burglar or fire alarms, etc.), nesoi; and parts thereof** -- based on an analysis of the latest trade statistics and market research.

Export growth: U.S. exports of products in the HS 8531 category rose from \$1.17 billion in 2004 to \$1.44 billion in 2007, an increase of 23.32% over the four-year period.

Leading Foreign Markets: Mexico and Canada are by far the leading market for U.S. exports of products in the HS 8531 category. (In 2007, exports to Mexico were \$227 million, or 15.80% of total; Exports to Canada were \$216 million or 14.99% of total). Other top markets (all valued above \$50 million) were: United Kingdom (5.41%), France (5.31%), Netherlands (3.80%), Germany (3.68%), Korea (3.58%), and Brazil (3.54%). Other significant markets (above \$25 million) were: China (3.13%), United Arab Emirates (2.93%), Hong Kong (2.90%), Singapore (2.43%), Italy (2.04%), Australia (1.96%), and Israel (1.95%).

Fastest Growing Markets: The leading larger markets showing the highest four-year growth rates for U.S. products in the HS 8531 category (2004-2007) were: United Arab Emirates (+357.57%), Israel (+209.52%), Brazil (+143.9%), Italy (+60%), Hong Kong (+45.80%), France (+41.65%), Korea (+37.15%), United Kingdom (+33.88%), and Singapore (+13.27%).

Leading Importing Countries: The top foreign importers of HS 8531 products in 2007 (all above \$1 billion) were Germany (\$1.96 billion, or 12.1% of total, Korea (11.1%), and United Kingdom (6.9%). Other significant importers (all above \$500 million) were Hong Kong (\$858.6 million, 5.3%), Hungary (4.2%), France (3.9%), China (3.6%), and the Netherlands (3.4%).

World Market Size & U.S. Share: Total world exports of HS 8531 products by all countries reached \$12.4 billion in 2007. The U.S. had a 11.6% share of the total world market in 2007, topped only by China (14.7%). Other world suppliers with significant market shares were Germany (11.5%), Hong Kong (8.6%), Korea (6.6%), United Kingdom (5.4%), the Netherlands (5.4%), and Singapore (5%).

Best Market Prospects: The markets listed below appear to be particularly promising for U.S. exports of products in the HS 8531 category over the next two years. Specific U.S. export statistics on HS 8531 products are available from the CITD for all countries, including those listed below (Source: U.S. Census Bureau). The CITD also has access to relevant trade contacts, trade opportunities and market research on each country:

- Argentina
- Bulgaria
- Canada
- Columbia
- Czech Rep.
- Finland
- France
- Georgia
- Honduras
- Hong Kong
- Indonesia
- Israel
- Italy
- Jamaica
- Macau (China)
- Mexico
- Netherlands
- Norway
- Panama
- Philippines
- Poland
- Qatar
- Romania
- Russia
- Saudi Arabia
- South Korea
- Spain
- Sweden
- Switzerland
- Thailand
- Ukraine
- Vietnam

II. Market Potential Indicators

A. Top 30 U.S. Export Markets 2004–2007

HS 8531: Electric sound or visual signaling apparatus (bells, sirens, burglar or fire alarms, etc.), nesoi; and parts thereof.

Country	2004	2005	2006	2007	Percent Change	Percent Change	% Share 2007
	In 1,000 Dollars				2004-2007	2006 - 2007	
Mexico	228,736	188,820	249,471	227,462	-0.56%	-8.80%	15.80%
Canada	195,112	191,818	206,356	215,750	10.58%	4.60%	14.99%
United Kingdom	58,134	61,887	65,531	77,830	33.88%	18.80%	5.41%
France	53,966	49,846	60,619	76,445	41.65%	26.10%	5.31%
Netherlands	49,536	55,478	66,854	54,707	10.44%	-18.20%	3.80%
Germany	55,612	50,686	47,456	53,021	-4.66%	11.70%	3.68%
Korea	37,548	30,249	23,088	51,496	37.15%	123.00%	3.58%
Brazil	20,897	15,827	19,182	50,967	143.90%	165.70%	3.54%
China	41,999	34,944	77,776	45,113	7.41%	-42.00%	3.13%
United Arab Em	9,222	12,170	22,122	42,197	357.57%	90.80%	2.93%
Hong Kong	28,641	34,787	43,699	41,760	45.80%	-4.40%	2.90%
Singapore	30,839	44,458	30,113	34,930	13.27%	16.00%	2.43%
Italy	18,293	17,757	26,735	29,430	60.88%	10.10%	2.04%
Australia	30,955	31,023	28,326	28,257	-8.72%	-0.20%	1.96%
Israel	9,058	8,835	19,092	28,036	209.52%	46.80%	1.95%
Taiwan	30,281	19,266	16,979	23,078	-23.79%	35.90%	1.60%
Japan	22,293	28,025	30,335	20,585	-7.66%	-32.10%	1.43%
Dominican Rep	18,689	21,418	34,973	19,762	5.74%	-43.50%	1.37%
Ireland	25,906	17,264	12,480	17,587	-32.11%	40.90%	1.22%
Belgium	5,594	10,045	9,226	16,630	197.28%	80.30%	1.16%
India	12,491	11,015	17,106	14,489	16.00%	-15.30%	1.01%
Colombia	9,551	10,260	12,696	14,011	46.70%	10.40%	0.97%
Venezuela	6,976	7,436	7,949	13,202	89.25%	66.10%	0.92%
Saudi Arabia	9,024	10,099	10,949	13,166	45.90%	20.20%	0.91%
Spain	6,515	8,956	11,361	12,313	88.99%	8.40%	0.86%
Argentina	9,411	9,281	10,610	11,607	23.33%	9.40%	0.81%
Thailand	18,085	20,774	10,584	11,528	-36.26%	8.90%	0.80%
Chile	7,034	9,444	11,768	11,094	57.72%	-5.70%	0.77%
Finland	6,327	3,126	7,520	9,229	45.87%	22.70%	0.64%
Switzerland	5,907	5,589	4,960	9,177	55.36%	85.00%	0.64%
Subtotal :	1,062,632	1,020,583	1,195,918	1,274,859	19.97%	6.60%	88.55%
All Other:	104,850	112,161	141,507	164,900	57.27%	16.50%	11.45%
Total	1,167,483	1,132,744	1,337,425	1,439,759	23.32%	7.70%	100.00%

Source: US Census Bureau

II. Market Potential Indicators

II .B Top 30 World Importers, By Country, 2007

HS 8531: Electric sound or visual signaling apparatus (bells, sirens, burglar or fire alarms, etc.), nesoi; and parts thereof.

Value in US Dollars

Importing Country	2007	% Share
USA	\$2,626,670,991	16.26%
Germany	\$1,955,695,000	12.10%
Rep. of Korea	\$1,793,508,999	11.10%
United Kingdom	\$1,111,596,883	6.88%
China, Hong Kong SAR	\$858,568,229	5.31%
Hungary	\$670,047,000	4.15%
France	\$637,219,534	3.94%
China	\$577,865,153	3.58%
Netherlands	\$554,632,334	3.43%
Italy	\$467,833,617	2.90%
Spain	\$429,743,159	2.66%
Singapore	\$367,781,096	2.28%
Ireland	\$349,223,665	2.16%
Japan	\$307,795,899	1.90%
Canada	\$294,875,102	1.82%
Thailand	\$294,146,465	1.82%
Belgium	\$273,917,440	1.70%
Finland	\$254,593,435	1.58%
Sweden	\$215,851,466	1.34%
Australia	\$178,786,099	1.11%
Austria	\$176,992,833	1.10%
Switzerland	\$172,376,516	1.07%
Denmark	\$114,077,750	0.71%
Turkey	\$114,030,071	0.71%
Poland	\$113,499,739	0.70%
Czech Rep.	\$112,955,322	0.70%
Norway	\$111,774,476	0.69%
Portugal	\$110,073,400	0.68%
Saudi Arabia	\$110,042,154	0.68%
Russian Federation	\$93,903,611	0.58%
Top 30 Subtotal	\$15,450,077,438	95.62%
Other	\$708,465,155	4.38%
World Total	\$16,158,542,593	100.00%

Source: UN COMTRADE

II. Market Potential Indicators

II .C Top 30 World Exporters & U.S. Market Share, 2007

HS 8531: Electric sound or visual signaling apparatus (bells, sirens, burglar or fire alarms, etc.), nesoi; and parts thereof.

Value in US Dollars

Exporting Country	2007	% Share
China	\$1,824,753,939	14.74%
USA	\$1,439,759,217	11.63%
Germany	\$1,424,085,000	11.50%
China, Hong Kong SAR	\$1,061,968,460	8.58%
Rep. of Korea	\$814,885,675	6.58%
United Kingdom	\$664,906,935	5.37%
Netherlands	\$662,411,415	5.35%
Singapore	\$622,357,205	5.03%
France	\$454,641,089	3.67%
Italy	\$446,665,815	3.61%
Canada	\$403,997,108	3.26%
Belgium	\$285,239,452	2.30%
Israel	\$257,213,000	2.08%
Japan	\$235,858,262	1.90%
Czech Rep.	\$198,395,582	1.60%
Sweden	\$191,508,238	1.55%
Thailand	\$172,426,123	1.39%
Ireland	\$147,528,274	1.19%
Switzerland	\$142,176,829	1.15%
Austria	\$121,950,555	0.98%
Spain	\$91,084,563	0.74%
Australia	\$90,384,100	0.73%
Norway	\$75,172,671	0.61%
Romania	\$73,652,979	0.59%
Finland	\$67,985,025	0.55%
Hungary	\$61,945,000	0.50%
Poland	\$49,173,105	0.40%
South Africa	\$44,285,129	0.36%
Greece	\$32,303,844	0.26%
Portugal	\$30,829,576	0.25%
Top 30 Subtotal	\$12,189,544,165	98.44%
Other	\$193,277,446	1.56%
World Total	\$12,382,821,611	100.00%

Source: UN COMTRADE

II. Market Potential Indicators

D. Market Sizes & U.S. Share by Country, 2008

The Best Market Matrix (below) provides comparative market size on 24 countries considered “best prospects” for U.S. exports of Security and Safety Equipment. The countries are listed in alphabetic order, not in rank order. The data on total market, total imports, and imports from the U.S. are based on local sources and reflect best estimates of USCS commercial officers from each country. Statistical accuracy and comparability to other sources (e.g., “USOC Bureau of Census”) are affected by a number of factors, including lack of published figures in certain markets, variances in data collection techniques, sources of data, and industry definitions.

Security and Safety Equipment (Values in \$ Millions)

Country	Total Market			Total Imports			Imports from US			U.S. Share	
	2005	2007	%Change	2005	2007	%Change	2005	2007	%Change	%Change	
Argentina	1500	1700	13.33%	1300	1700	30.77%	140	230	64.29%	13.53%	
Canada	1375	1725	25.45%	1252	1597	27.56%	371	459	23.72%	28.74%	
Colombia	99.6	112.97	13.42%	97.5	110.58	13.42%	55.6	64.2	15.47%	58.06%	
Czech Rep.	159	181	13.84%	82	94	14.63%	31	37.5	20.97%	39.89%	
France	20337	28299	39.15%	10779	15564	44.39%	3244	4358	34.34%	28.00%	
Honduras	320	457	42.81%	N/A	N/A	N/A	283.8	406.3	43.16%	N/A	
Hong Kong	124	200	61.29%	801	1000	24.84%	47	65	38.30%	6.50%	
Indonesia	158.2	N/A	N/A	156.2	N/A	N/A	9.8	N/A	N/A	N/A	
Italy	3909	4927	26.04%	140	177	26.43%	11.2	12.3	9.82%	6.95%	
Jamaica	180	N/A	N/A	180	N/A	N/A	120	N/A	N/A	N/A	
Macau (China)	124	200	61.29%	801	1000	24.84%	47	65	38.30%	6.50%	
Mexico	3230	4383	35.70%	2395	3140	31.11%	1658	2097	26.48%	66.78%	
Netherlands*	200	270	35.00%	120	175	45.83%	60	71	18.33%	40.57%	
Netherlands**	80	100	25.00%	70	89	27.14%	20	25	25.00%	28.09%	
Panama	23	35	52.17%	23	35	52.17%	13	20	53.85%	57.14%	
Philippines	N/A	N/A	N/A	N/A	126	N/A	N/A	9	N/A	N/A	7.14%
Romania	N/A	432	N/A	N/A	343	N/A	N/A	198	N/A	N/A	57.73%
Russia	5000	6800	36.00%	67	84	25.37%	17	16	-5.88%	19.05%	
South Korea	1964	2176	10.79%	1069	1181	10.48%	N/A	N/A	N/A	N/A	
Spain	5710	7158	25.36%	825	1198	45.21%	139	197	41.73%	16.44%	
Sweden	3.35	4.07	21.49%	3.2	3.9	21.88%	80	100	25.00%	2564.10%	
Switzerland	437	465	6.41%	198	207	4.55%	93	99	6.45%	47.83%	
Thailand	204	294	44.12%	183	265	44.81%	55	80	45.45%	30.19%	
Vietnam	N/A	83.5	N/A	N/A	78	N/A	N/A	20	N/A	N/A	25.64%

*Seaport Security Equipment and Systems **Airport Security Equipment and Systems

III. Best Prospect Market Assessments

Following are overviews of “best prospect” markets for U.S. Security and Safety Equipment, based on observations of USCS posts in each country. The countries appear in alphabetical order. For more detailed market research on security and safety equipment in these and other specific markets, see relevant Market Research Reports listed in Chapter V. For general commercial and economic information on individual countries, see the relevant Country Commercial Guides (CCGs).

ARGENTINA

The electronic security sector market in Argentina was valued at approximately \$1.7 billion in 2007, making it a relatively large and growing sector for U.S. firms. Argentina is a fast-growing market for electronic security-related products, equipment, and services and is heavily reliant on imported products.

Local trade contacts further estimate an annual growth rate of 15% in 2008, attributing this market expansion to the rising crime rates in Argentina, the high levels of perceived insecurity, and the increasing priority of improving workplace safety. This expansion has been seen in all sub-sectors of products and services of electronic security, especially on CCTV and access control equipment that together totaled more than 60% of Argentine electronic security imports. The electronic security sector grew by more than 20% in 2006.

There are currently 1,350 companies in the Argentine electronic security industry, including importers, manufacturers and software developers that combined employ over 9,100 people in this industry, 60% of which are engineers and technical experts. U.S. manufacturers compete successfully in Argentina, holding an approximate 30 percent share of the import market for electronic security equipment. Nevertheless, Brazil, China and Southeast Asian countries are entering the market aggressively, offering similar products at lower prices.

The Argentine electronic security market composition follows: Imports: 80%, Local Production: 20% and Exports: 15%.

Best Products/Services

Hi-tech imports play a significant role in the overall security market as domestic manufacturing is primarily focused on the production of basic security equipment and safety supplies. Therefore, the hi-tech security equipment market presents more opportunities for U.S. companies. The niche sale opportunity for U.S. exporters is in CCTV and access control equipment on IP networks.

Best sales prospects for U.S. electronic security firms include:

- Access Control: biometrics on IP networks

- Anti-theft Electronic Systems and Alarms: over cellular and wire-line telephone networks, including cameras, monitors, indicator panels and signaling devices CCTV on IP networks, especially for upcoming public surveillance projects.

Opportunities

Market growth in recent years is largely attributed to the rising crime rate in Argentina. However, high levels of perceived insecurity by the population and the increasing priority of improving workplace safety and security have contributed to the growth in this sector. This expansion has been seen in all sub-sectors of products and services for industrial security as well as for personal security.

Regarding imports, one bright spot is in the field of components, which are being used, in locally manufactured products. High-tech imports play a significant role in the overall security market, as domestic manufacturers hasten to satisfy a niche that, until recently, was supplied almost in its entirety by imported goods. These firms will continue to import high-tech components and products to be used in the production of anti-theft electronic systems and alarms over cellular and wire-line telephone networks, including cameras, monitors, indicator panels and signaling devices and also CCTV (specially on IP networks) and other related areas, since local firms do not manufacture these types of products. This is in contrast to safety equipment (i.e., items such as gloves, helmets, masks, etc.), which is well-served by domestic production. Thus, while high-tech security remains a priority in Argentina, there will be a shift in the opportunities that this demand creates for U.S. companies.

Resources

- Security & Safety Sector Specialist at the US Embassy in Argentina: Marina.Millet@mail.doc.gov
- Argentine Chamber of Electronic Security (*Camara Argentina de Seguridad Electronica, CASEL*): www.casel.org.ar
- Argentine Chamber of Industrial Security (*Camara Argentina de Seguridad, CAS*): www.cas-seguridad.org.ar/gral.htm
- Argentine Security Institute (*Instituto Argentino de Seguridad, IAS*): www.ias.org.ar
- Argentine Association of Private Security (*Asociacion Argentina de Seguridad Privada, AASPRI*): www.aaspri.org.ar
- Argentine Association of Security and Investigation Companies (*Camara Argentina de Empresas de Seguridad e Investigacion, CAESI*): www.caesi.com.ar

For additional information on this industry such as trade events, useful links, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, visit www.comerciosa.org/argentina_editable/Jcoronado/safety_security_eq/safety_security_eq_main.asp.

BULGARIA

Safety and security is an important issue for the Bulgarian government and business. The global threat for terrorist attacks, the EU accession of the country and the high number of crimes creates good market opportunities for the U.S. companies in this sector.

Bulgaria became an external EU border and could join the Schengen area in 2011. This means spending is needed to upgrade border control on the external borders and integration of the Schengen Information System (SIS). The EU pre-accession program PHARE allocated funds for the modernization of the Border Police equipment and further upgrade will be necessary.

The Bulgarian Ministry of Transportation and the U.S. Trade and Development Agency completed two technical assistance projects to upgrade and improve safety and security at Bulgarian international airports. In 2007, the Ministry of Interior launched a tender for design, building of a system and consultancy services for the issuance of new ID documents according to the EU requirements.

The Bulgarian Ministry of Interior together with Ministry of Finance, the Customs Agency and Border Police are looking for ways to improve border monitoring, security and customs database systems. Best products include X-ray, MR type of equipment, infrared mobile and stationary equipment, on site field testing, access control equipment, CCTV, laboratory equipment, ID security application equipment, new IT and high tech equipment, programs and related services.

Resources

- Ministry of Finance, State Agency Customs – www.customs.bg
- Ministry of Interior – www.mvr.bg
- Ministry of Transport – www.mtc.government.bg

For more information and market entry strategies contact:

Andon Kalibatsev, Commercial Specialist U.S. Commercial Service, Sofia, Bulgaria

Tel: 359-2-939-5781

Email: andon.kalibatsev@mail.doc.gov

<http://www.buyusa.gov/bulgaria>

CANADA

Safety and Security issues around the world continue to fuel a growing demand for new equipment and technology. Besides national and public security considerations, day-today

business operations in all sectors are facing safety and security challenges. Cyber crime and the unstable climate ushered in by terrorism have spawned identity thieves, industrial spies and other intruders who are working to out-smart existing security technologies and have forced Canadian businesses to update or purchase new security systems that provide leading-edge security monitoring and control.

Advanced security technology developed in the United States has allowed U.S. firms to offer products that are more efficient and often superior to comparable Canadian equipment. Industry experts state that demand for greater security will fuel demand for increasingly sophisticated equipment. Since U.S. technology is recognized as a frontrunner in technological development in this industry, U.S. companies will be in a good position to take advantage of this trend.

Industry sources report the size of the Canadian market for security products and services to protect commercial buildings and facilities alone is predicted to grow 8-10% in 2008 to approximately \$1.9 billion. Total imports represent 93% of total market demand. Imports from the U.S. of \$496 million represent 29% of the total import market.

Best Prospects/Services

While the market includes locks, keys and alarm systems, growth in demand will prevail for electronic physical access control systems, led by biometric, smart card and other non-contact technology utilizing software that can be used to secure both physical access to facilities and access to data stored on computers.

Opportunities

U.S. safety and security companies wanting to develop new sales in Canada, benefit from a privileged access to numerous business facilitation programs offered by the U.S. Commercial Service year round.

Resources

Following is a list of the major events/trade shows in Canada for the Safety and Security Sector:

- CANSEC 2008
April 9-10, 2008
Ottawa, ON
- Security Canada East
April 22 – 23, 2008
Laval, QC
- Security Canada West
June 11, 2008
Richmond, BC
- Security Canada Atlantic
September 11, 2007
Moncton, NB
- Security Canada Central
October 22 – 23, 2008
Toronto, ON
- Secure Canada
September 30 – October 1, 2008
Ottawa, ON

More details can be found at:

- Canadian Security Association (CANASA)
- Canadian Association of Defense and Security Industries (CADSI)
- Advanced Card Technology Canada
- Canadian Advanced Technology Alliance
- SP&T News
- Canadian Security Magazine

If you would like further information, please contact connie.irrera@mail.doc.gov, the CS Canada National Security Specialist. Visit our website <http://www.buyusa.gov/canada> to discover commercial opportunities in Canada.

COLUMBIA

The demand for security systems and devices is continually growing in Colombia, due to security concerns of industry and households. Security systems and devices today form an integral part of business and consumer budgets. The Colombian Government has been focusing policy and resources on tackling security risks in the country, and providing a safer environment for people and industry.

The market is very diverse and includes alarm systems, access control devices, information security systems, automatic vehicle location systems, ionization detection devices, armoring, personal protection garments, surveillance and counter-surveillance equipment, and polygraph equipment.

From 1994 when the Superintendence for the security industry began, it has grown by 360%, with an average annual growth rate of 15%. Currently 3,511 companies operate in this sector, according to the Superintendent's Office. However, the vast majority of these companies are merely security guard companies whose equipment ranges from no more than uniforms, handguns, and shotguns.

It is important to note that during the last ten years, security departments within companies have increased by 39%, and vehicle armoring has increased by 446%, with the number of armored vehicles going up from 2,255 in 1997 to 12,321 in 2007.

Correspondingly, the number of registrations conducted by the Superintendence has seen an increase of 285% growing from 120 in 1997 to 462 companies registered in 2007. However, many of these companies may no longer be operating.

Best Products/Services

U.S. exporters should consider focusing on the following sub-sectors:

- Securities Transporters
- Security Departments within Companies
- Armoring companies
- Consultancy Firms

The main surveillance and anti-theft system used in Colombia is Closed Circuit Television (CCTV). Institutions and households are quick to pick up on new trends and devices. As such, biometrics is increasingly being used and also silent panic-button systems.

Fire alarm/protection systems complement perimeter-protection and intrusion-detection systems. The ongoing trend seeks the integration of all of the above-mentioned systems under common platforms provided by computers and associated operating systems that allow for the centralization and optimization of security administration.

With the Internet reaching a larger segment of the population on a daily basis, companies and individuals have also become focused on protecting their information. This sub-sector is a promising one, with a continually increasing demand for information security.

Also in the mid-1990s, satellite location technology such as the Global Positioning System (GPS) emerged as the principal tool for managing and securing vehicle fleets.

Opportunities

The Safety and Security market in Colombia is a steadily growing industry sector, requiring state of the art technology and specialized consultancy services. This provides great potential for U.S. suppliers. Also, clients have expressed their preference for U.S. products and services. The types of clients who most require services within this sector are grouped as follows:

- Residential users: 27%
- Commercial and Service Companies: 24%
- Industrial Companies: 18%
- Financial Companies: 8%
- Public Entities: 7%
- Energy and Petroleum Companies: 5%
- Private Education: 4%
- Airports: 4%
- Others: 2%
- Transport and Communication Companies: 1%

Not surprisingly, the more expensive equipment goes towards business use, i.e. the protection of company or government facilities. Also, almost all consultancy services go towards this segment of the market. U.S. companies are encouraged to participate in government procurement programs (for the supply of equipment at ports, airports, public buildings, etc.). More information is available on the government procurement website <http://www.contratos.gov.co/puc/>, or on the websites of individual entities.

However, U.S. companies interested in pursuing opportunities in the safety and security field must take into consideration that Colombian law states that foreign security companies may not participate directly in security or security-related companies or enterprises. Joint venture partnerships with local companies are a requirement.

Finally, the approval of the U.S. - CTPA will have a significant impact on this sector, reducing import tariffs on equipment to zero.

Resources

- CS Bogotá contact: Gabriel Ramjas, Commercial Specialist (gabriel.ramjas@mail.doc.gov)
- National Statistics Department (DANE): www.dane.gov.co
- World Trade Atlas: www.gtis.com
- Superintendent's Office for Surveillance and Security: www.supervigilancia.gov.co
- Instituto Colombiano de Normas Técnicas (ICONTEC): www.icontec.gov.co

CZECH REP

The Czech Republic's commitments to NATO and the European Union, combined with the demands of an increasingly prosperous society, contribute to heightened demand for safety and security equipment. Needs in the Czech market fall primarily into three categories: military/police, civilian, and EU accession.

- **Civilian:** The Czech Republic has long been considered a comparatively low threat area for terrorist attack and ordinary crime, with the exception of car theft and pick-pocketing. Czech companies historically have not invested heavily in security. In fact, EU specialists found that only one-fifth of Czech companies provide efficient protection of their property. However, following the past year's terrorist bombings in Madrid, Czech companies are quickly rethinking their security needs.
- **EU membership:** The EU encourages Czech government officials to invest more in security, particularly building protection. A number of Czech government agencies have invested in security equipment, accelerating in the wake of the terrorist bombings. This trend is anticipated to continue.
- **Military/police:** NATO integration will require continuing efforts. Several large tenders for special equipment, such as light firearms, are expected.

Best Products/Services

- Personal access checking systems
- Alarm equipment for building safety
- Alarm equipment for cars and motor vehicles
- Surveillance systems
- Fire prevention and control equipment

Best prospects for building security are expected to be:

- Metal detectors
- Monitoring systems
- Training and service for security equipment

Opportunities

U.S. exporters should take advantage of the dollar's weakness in the Czech Republic – in fact, the exchange rate is the best in modern history for U.S. exporters. Many local distributors will prefer to import from countries where they can pay in dollars.

The global security situation continues to be challenging, driving an ongoing demand for security products and devices.

Resources

- ISET
May 13-16,2008 Brno, Czech Republic
www.bvv.cz/iset
One of the two largest international trade shows in Europe for military, security and safety equipment, drawing a high-level audience. This year, IDET is a Commerce Department Certified Trade Show, and exhibitors can take advantage of a Gold Key Plus program organized by the U.S. Commercial Service in Prague.
- Association of Technical Security Services
Phone: (+420) 296 642 790
E-mail: info@gremiumalarm.cz
Web: www.gremiumalarm.cz
- Association of Private Security Services of the Czech Republic
Phone: (+420) 222 711 661
E-mail: sekretariat@asbs.cz
Web: www.asbs.cz
- Association of the Defense Industry of the Czech Republic
Phone: (+420) 224235320
E-mail: aop@mbox.vol.cz
Web: www.czech-aop.cz
- Ministry of Interior, Czech Republic
Phone: (+420) 974 811 111
E-mail: dotazy@mvr.cz
Web: www.mvr.cz
- Ministry of Industry and Trade, Czech Republic
2/14/2008
Phone: (+420) 224 851111
Email: mpo@mpo.cz
Web: www.mpo.cz
- Ministry of Defense, Czech Republic
Phone: +420 973 201 111
E-mail: posta@army.cz
Web: www.army.cz
US Commercial Service
Ms Luda Taylor, Commercial Specialist
US Embassy Prague
Trziste 15, Prague 1
Tel.: +420 257 022 310
Email: luda.taylor@mail.doc.gov

Additional Publications:

Internal security issues (crime, developments in individual kinds of crime and security risks) are covered in the report “Security Situation in the Czech Republic” written by Czech Ministry of the Interior. A comprehensive overview of all external security issues is covered in the report “Security Strategy of the Czech Republic” which was produced

by the Ministry of Foreign Affairs and adopted by the Czech Government on February 10, 2004. As the Czech Republic is an EU accession country, it must consult on all external security issues with the European Union and comply with the “Common European Security and Defense Policy” that defines external action through the development of a military crisis management capability as well as a civilian one.

FINLAND

In Finland, security is still considered as a very small branch of the service sector industry, and therefore it is very difficult to obtain accurate information and statistics. The estimated turnover of the security and safety industry in Finland in 2006 was over \$1 billion. The branch has grown constantly in the last ten years. The main reason to the continuous increase in the private security demand is the Finnish government’s cutbacks to law enforcement funding. Another significant reason for growth has been outsourcing; companies operating in commerce and trade, the manufacturing industry, and public government have been eager to subcontract their security needs.

The security industry market in Finland is very clustered, and dominated by a couple of large, multinational companies who offer tailor-made solutions from a wide range of services to both corporate and private customers. The companies are well established here and have been in the market for a long time. For example Group 4 Securicor (former Falck Security Oy) has been operating in the security industry in Finland since 1922. Local subsidiaries of large international companies have a strong hold of the market in most sub-sectors. The biggest security companies represent only 2.2% of the companies in the industry, but employ 77% of the industry's personnel, and generate over 70% of the Finnish security and safety industry turnover.

Guarding services, structural security products, and information security products and services are the largest sub-sectors. The largest industries contracting security services are the manufacturing industry, real estate and construction, and the trade industry. There are no trade barriers or market impediments for safety and security equipment. The customs duty on safety and security equipment imported from outside of the EU countries varies between 2.7% to 4.9%. Finland’s Value Added Tax of 22 percent is assessed on all imported goods. Products that are imported or exported within the EU must carry the CE marking. According to local sources, U.S. companies, and especially U.S. security products, enjoy a good reputation in the Finnish security market and are considered to be of very high quality. On the other hand, American products are also seen as expensive and not necessarily up to EU product standards.

Best Products/Services

The construction of new office- and housing facilities, and increase in general security awareness are reasons for the security companies' currently positive outlook on future business. New growth sectors are expected to be found in the public government sector, especially on communal level, and also within private residences. Break-in and fire detection equipment, and water damage prevention and control are expected to be hot items in the private property security market.

Opportunities

There is a bi-annual, local security industry trade fair for companies and private citizens called FinnSec. FinnSec is the most important safety and security event in the Nordic countries and the best possible forum to present products and services in the field. It attracts large numbers of decision makers responsible for safety and security at companies and other organizations. In 2008, the Finnsecurity will be hosting FinnSec PRO 08, which will be held at the Helsinki Fair Center on December 10, 2008.

Resources

- Finnsecurity ry www.finnsecurity.fi
- FinnSecPRO 08 Security and Safety Trade Fair:
<http://www.finnexpo.fi/exhibition.asp?Id=1692>
mia.maki@mail.doc.gov (local contact)

FRANCE

This sector represents 25 different security segments in France, which can be loosely grouped into the following areas: anti-terrorism, electronic security, monitoring, guarding, physical security, health and safety products, fire security and cash in transit. The total market was valued at approximately 18.3 billion euros in 2006.

Currently, segments enjoying the highest growth rate are anti-terrorist equipment (+27.1% in 2006), personal protection services (+21.3%), industrial security materials (+14.2%), and private investigation services (+13%). Segments such as fire equipment, retail theft protection, remote industrial monitoring services, access controls, airport security equipment, anti-intrusion alarms and guard services remained flat or even declined in 2006. Overall growth is expected to rise by about 5% in 2007 and 2008. This growth is mainly driven by just a few segments of the market and price wars are common in this highly competitive environment. In fact, only about 67% of companies operating in the security sector in France in 2006 turned a profit. In many segments such as fire protection and guard services, there are simply too many players on the market; fierce competition coupled with low prices continues to drive a high number of firms out of business.

The evolution of this market is closely linked to France's general economic growth, which is not strong. While over the last few years France has invested heavily in security infrastructure and has caught up to her European neighbors, that spending is now slowing, especially in segments such as monitoring or anti-intrusion equipment. The sector has also suffered from a price war over the last several years, driven by competition from Asia, which has slowed growth in several areas, such as access controls and video surveillance where price is usually the deciding factor, according to industry studies. The safety and security market in France is thus divided into two distinct parts: a small number of relatively healthy segments and a large number of areas where the situation is morose. The birth of security industry giants which have greater financial

resources and which are capable of deeply influencing the market have shut out many of the smaller players. The homeland security/anti-terrorism segment is driving the market; but contracts for port, airport and other highly sensitive sites require complex, sophisticated systems that integrate technologies from diverse origins.

Penetration of the security market by foreign companies has stabilized in France, but at an extremely high level. Entire sub-sectors of French private security industry in France are dominated by foreign groups, as opposed to less than 20% overall ten years ago. For example, in the cash in transit sector, non-French groups control 89% of market share. Similar ratios exist in equipment/services for, professional monitoring and many other market sub-sectors. Overall, foreign firms control about 43% of the industry. Fortunately, there are a few bright spots; homeland security equipment demand is expected to be sustained, as with residential monitoring, CCTV, especially for digital systems, and industrial security materials (lighting, gas detectors, hazmat warehousing equipment, etc).

U.S. equipment and security technologies are well known for their innovation and quality. Imports should remain strong, although competition is extremely severe from both French and third country sources.

Best Products/Services

Homeland Security products, including those for the police and other public order entities, enjoyed a spectacular growth rate, at 27.1%. The persistence of terrorist threat has fed the need to pursue investment in protective measures. The market is sustained by sales of global solutions, integrating several types of equipment (cameras, biometric access controls, physical barriers, for example), which are interconnected by customized software also able to manage vast databases of information on individuals – travelers, employees, etc. While this sector represents the most opportunity for sustained growth in the industry, it is largely served by French giants such as EADS, Thalès, Sagem, Gemalto or Canberra (Areva Group), making it very competitive for American firms.

Amongst the many technologies, the French are particularly interested in automatic facial recognition systems, tracking video systems that analyze behavior and intelligent cameras.

Closed Circuit TV (CCTV), especially for digital systems, represents one of the few ongoing growth areas in the industrial security market in France. Recent changes in French regulations will require that many existing systems be updated (cameras must be linked to a video and a recording system; data must be stored in numerical format if the system has more than 7 cameras; the video quality must be guaranteed if the images are to be exported).

In the mid to long-term, the residential market represents an enormous potential for suppliers of surveillance services – far fewer French homes are equipped as opposed to in other EU countries. The high growth in high-speed Internet connections is driving demand, as the major French telecom service providers are now teaming with home monitoring service firms to provide widespread marketing and low cost services via high-

speed connections. The lack of equipment in French homes is equally applicable to basic protective devices such as anti-intrusion alarms, fire alarms or fire extinguishers, none of which are required by French home insurance policies and with which few French homes are equipped at this time.

Opportunities

The market in France is extremely fragmented and competitive, and it is very important to work with a local partner or through a local sales office, which many U.S. firms choose to establish. Some kind of local presence becomes essential when working with government ministries or responding to public tenders.

Resources

- Expoprotection/Feu
International Safety & Security and Fire Fighting & Rescue
Paris, France - November 4-7, 2008
<http://www.expos-protection.com/expoprot/>
- Electronic and Physical Security Show
Paris, France – September 22-24, 2009
<http://www.salon-aps.com/>
- Milipol International
Internal State Security
Paris, France – October 2009
<http://www.milipol.com/>

Milipol is devoted to security and anti-criminal technologies and the one meeting point for all international decision-makers for public and industrial security. To participate in the U.S. Pavilion, please contact [<http://www.kallman.com>].

Information on the French Security Market

En Toute Sécurité

<http://www.security-info.com/>

Embassy U.S. Commercial Service Trade Specialist: Cara.Boulesteix@mail.doc.gov

Phone: 33-1 43 12 70 79 - Website: <http://www.buyusa.gov/france/en>

GEORGIA

Security and safety equipment in Georgia represents a rapidly growing and promising sector for U.S. manufacturers and suppliers. Import of home, car and commercial security systems has grown by about 40% during 2006. The market is expected to increase by 100% annually in the following 2-3 years. However, with appropriate marketing of products, reasonable prices, and reliable service, the market has the potential to grow even more rapidly.

Georgia has no local production of the security and safety technologies. Major importers of the equipment are local companies, which offer installation and security services to customers. Larger corporations, hotels, and banks maintain their own security staff and purchase equipment and after-sale services directly from international suppliers.

The number of potential customers has grown with recent expansion of domestic corporations and the entry of international investors, including in western hotels, banks, and real estate developers. Small and medium retail and hospitality businesses are major clients of the local companies offering security and safety equipment and services. The demand for home security equipment and services is increasing because residential construction, both in the capital and in the regions (especially resort areas) is booming. Import of certain security equipment requires licensing from the Ministry of Justice and approval/permit of the Ministry of Defense. Some technologies, including video monitoring equipment, require licensing from the Ministry of Interior, while telecommunication devices require licenses from the Georgian National Communications Agency.

Best Products/Services

Security devices and alarms, including car and house alarm systems, locks, cameras, safety boxes and safes, radio equipment, access control systems, metal and smoke detectors and equipment for detection of explosives are all in demand. In the medium term demand is expected to grow for security software and various automated systems.

Opportunities

In addition to supplying security and safety equipment to residential and commercial customers through the local companies, there are opportunities of selling anti-terrorist equipment and technologies to the large scale public and infrastructure development projects: airports in Batumi and Tbilisi, buildings of the central government, proposed rail and port development projects, etc.

Resources

- Ministry of Justice, <http://www.justice.gov.ge/index1.html>
- Ministry of Interior, <http://www.police.ge/en/>
- Georgian National Communication Commission, http://www.gncc.ge/index.php?lang_id=ENG&sec_id=10050
- Tax Department, <http://www.taxdep.ge/default.aspx>
- Customs Department, <http://www.customs.gov.ge>

HONDURAS

Elevated crime rates in urban areas have increased demand for safety and security equipment in all sectors of the economy, including among personal, residential, commercial, financial and national police force users. It is estimated that the general market for Security & Safety Equipment (SEC) will grow at a rate of 25% for the next three years, as many security clients look to replace guards with technology. The market for security and safety equipment is supplied entirely by imports, with the U.S. supplying over 80% of the total. Among third-country suppliers are Canada, Taiwan, France, Mexico, Germany, and Japan.

The market for residential security equipment is growing. Various private housing new projects contemplate the installation of different types of home security systems, such as alarms, sensors, smoke and fire detectors; water sprinklers and automated computerized home security systems. Demand for electronic alarm systems, closed circuit TV, one-way mirrors, bulletproof windows and armored vehicles are also on the rise for the commercial and banking sectors. Within the public sector, the Ministry of Security has been authorized, through a governmental executive decree, to make direct purchases of modern technology for safety and security purposes. Securing a local agent/distributor in the local market is key for an effective market entry strategy in the SEC sector, particularly for support in providing installation, maintenance, and after sales services.

Best Prospects/Services

- Electronic surveillance equipment
- Biometric systems
- Alarm systems (fire and smoke/burglar/motion)
- TV closed circuits
- Security Cameras
- Remote monitoring; Perimeter security
- Electric residential fences
- Armored Vehicles
- Protective Clothing
- X-ray Inspection Equipment
- Safes and Strong Boxes
- Sprinkler Systems
- Smoke Detectors
- Fire Extinguishers
- Vehicle Alarm Systems
- Airport and sea port safety & security equipment

Opportunities

In compliance to the U.S. Customs Service's Container Security Initiative, the National Port Authority has obtained maritime certification, encompassing the acquisition of technology to pre-screen cargo containers before they arrive at U.S. ports, as well as the countering of any illegal activities that may occur at the ports. Among the equipment needed to increase security in local ports are x-ray inspection equipment, security cameras and other specialized electronic security devices. In addition to port infrastructure, the country's four international airports are undergoing a series of urgent improvements and terminal expansion plans involving on going safety and security equipment.

Resources

- Honduras Trade Portal <http://www.hondurastradeportal.com>
- Government Procurement Online System <http://www.hondurastradeportal.com>
- Trade & Investment Portal <http://www.freetradehonduras.org>

The US Commercial Service provides assistance, information and registration to Honduran importers for the following U.S. Trade Shows:

- ASIS International 2008 (Security Solutions Expo) www.asisonline.org
- International Security Conf/Expo (ISC-Expo) www.iscwest.com
- CTIA Wireless www.ctiawireless.com
- InfoComm International www.infocomm.org
- C3 Expo (Corporate and channel computing) www.c3expo.com

HONG KONG

Hong Kong is a growing market for safety and security equipment and services. In general, the Hong Kong market leans towards more sophisticated, high-tech products, an area in which U.S. firms enjoy a prominent market share. In 2006, imports for security and safety equipment totaled approximately \$926 million. After Japan, the United States was the second largest supplier of high-tech security products. The European Union was the third major competitor in this area. China and Taiwan are market leaders in the low-end technology security market.

Being a regional transportation and logistics hub, Hong Kong spends heavily on security systems in its airport and freight-cargo facilities. Other areas of major security equipment outlay occur in commercial and financial sectors. Home security systems are becoming increasingly popular.

In neighboring Macau Special Administrative Region, major security companies are supplying sizeable integrated security systems for international hotels with casino facilities. Hong Kong and international security companies have won projects there, including the provision of advanced biometric identification systems for casinos. As the gaming industry booms, there are many deluxe hotels / casino development projects in the pipeline, which will require sophisticated security systems.

China's safety and security market demand is growing rapidly. The market has expanded from its traditional base in the financial, insurance, custom, police, and airport sectors to the construction, transportation, and tourism fields. U.S. manufacturers, contractors and vendors should actively market their products using Hong Kong as a springboard.

U.S. exporters should be aware that certain security products may be subject to U.S. Export Control Regulations, and should pursue China projects after determining compliance requirements.

Best Products/Services

- Alarms and access controls
- Identification devices
- Biometrics
- Radio frequency wireless technologies
- X-ray scanners

- Chemical detection systems
- Rescue equipment
- Surveillance equipment
- Detention equipment

Opportunities

Hong Kong has been a sourcing agent for China in terms of security equipment. It reexported about 31% (or \$291 million) of its total security equipment imports to China in 2006. Re-exports of security equipment to China has shown tremendous growth (20% average annual growth rate for the period beginning 2004 to end of 2006). U.S. companies should use Hong Kong as a base for outreaching final customers in China. The Macau market offers outstanding opportunities. U.S. companies wishing to enter the Macau market may wish to partner with related Hong Kong companies, who are actively pursuing opportunities in Macau.

Resources

Trade Show:

- Asian Securitex 2008 - Asian International Security, Safety & Fire Protection Show and Conference
Date: June 4-6, 2008
Venue: Hong Kong Convention & Exhibition Center
Website: www.asiansecuritex.com

Trade Associations:

- International Professional Security Association (Hong Kong) Ltd.
Website: www.ipsa.com.hk
- Asian Professional Security Association
Website: www.apsahk.org

For more information about this industry sector, please contact U.S. Commercial Service:

Ms. Olevia Yim, Senior Commercial Specialist

Email: olevia.yim@mail.doc.gov

Tel: (852) 2521-1467; Fax: (852) 2845-9800

INDONESIA

The Indonesian security and safety equipment market offers excellent prospects for U.S. products. These opportunities can be attributed to the increasing number of bomb incidents and bomb threats, the rising crime rate, increased levels of perceived insecurity by the population, as well as the priority of improving commercial and public safety. Demand for security and safety equipment in industrial plants, commercial buildings, public facilities, oil/gas fields, mining operations, airports and seaports has increased substantially. Industry sources predict imports of safety and security equipment will increase by about 20% per year over the next two years. The total value of imported products in security and safety equipment rose remarkably in recent years. In 2004, the value reached \$142 million, an increase of 118% from 2003.

Imports of U.S. products amounted to \$8.2 million in 2004 and increased to \$9.8 million in 2005. Other major suppliers are Japan, China, Germany, France, South Korea and Taiwan.

Best Products/Services

The demand for safety and security equipment is predicted to increase by 20% per year over the next two years. Metal detectors, security alarms, CCTVs, VTRs, bulletproof vests, walkthrough metal detectors, and access control systems are in a great demand. In addition, there is also an increased demand for security services. Instead of having their own security guards, many building management companies prefer to outsource to private security companies.

Opportunities

The U.S. holds 10 -15% of the security and safety equipment market in Indonesia and is a strong supplier of high-quality burglar alarm systems, video surveillance systems, detection systems and x-ray equipment. U.S. suppliers are facing strong competition from Japanese firms that have established good relationships with end-users in the government sector. In general U.S. products are well accepted, but they are perceived as “high-priced.” Various infrastructure projects such as the development of seaports, airports, public transportation facilities, oil and gas exploration fields, trade centers, apartments and office buildings will need high technology security equipment such as access control systems, alarm systems, video surveillance systems, metal detectors, and x-ray or screening equipment. In addition, GOI Police will need explosive ordnance disposal, intelligence equipment, forensic laboratory equipment and forensic computing equipment.

Resources

The Indonesian National Police: www.polri.go.id

ISRAEL

Homeland Security

Israel is a well-developed and sophisticated market for homeland security equipment and services. Israel’s security-awareness and high level of preparedness are the driving forces for the development of the country’s cutting edge security industry. After 9/11, this sector became one of Israel’s fastest growing export industries. Approximately 600 local companies are involved in the sector, with over 450 exporters. Many of these are integrators and service providers. In 2007, the turnover of Israel’s security industries was estimated at over \$4.5 billion, with exports estimated at \$1.2 billion, a 20% increase over 2006.

Israel is an attractive market for U.S. manufacturers of high-end equipment and of components that can be integrated into Israeli systems. Israeli manufacturers are important end-users of imported security equipment and components that are integrated into locally produced for-export security systems. In addition, many of the homeland security systems are sold to the Israel Ministry of Defense. These procurements are

made with Foreign Military Funding (FMF), giving an advantage to U.S. manufacturers. The import market, estimated at \$510 million has a 70% U.S. market share. U.S. exporters dominate the market for sophisticated equipment used in homeland security applications. U.S. security equipment, which enjoys an excellent reputation in Israel due to its high reliability, is often used for sensitive applications, by high-security industries and for key infrastructures and installations. The market offers good opportunities for U.S. exporters of high quality and sophisticated detection and screening systems, cctv, sensors, biometric solutions, x-ray systems, non-lethal weapons, etc.

U.S. companies should be aware of the U.S. requirement for export controls in particular in cases in which Israeli companies re-export the U.S. equipment after it is integrated into an Israeli system.

Best Products/Services

CCTV, X-ray systems and screening systems using alternative technologies, non-lethal weapons, sensors, biometric solutions

ITALY

The safety industry saw an overall increase in market sales of 3% in 2006 due mainly to a concerted effort by the national association ANIMA (Italian federation of mechanical and engineering industries and public administration to promote awareness of worker safety requirements and an overall “safety culture” that resulted in more strict controls in work environments, particularly in response to an increase in the number of on-the-job injuries and deaths. Not only has overall demand increased, but also the trend in demand is for higher quality products and services. More and more frequently partnerships are being established between the private and public sectors (research centers) with the aim of developing innovative products specifically in the personal protective equipment (PPE) segment.

Sales in the security and building automation industries picked up in 2006, increasing by 6.6%, with internal demand up by 7.9%. and imports up by 5.5%. The fire [safety equipment segment registered overall growth of 4.9%. Within the anti-intrusion segment, the area that continues to show the most activity and growth is CCTV equipment (up 17.4% compared to 2005). Other areas within this segment saw moderate growth. Forecasts for 2007 indicate similar growth.

Italy has a fairly strong domestic safety and security industry with a reputation for high quality products. Italian production is well distributed across the various security equipment product lines. The industry is comprised of a sizable number of small and mid-sized locally based concerns.

Demand for security continues to be significant, and remains a primary area of focus for the Italian Government. The 2008 national budget contains an additional 200 million euro compared to the previous year for security related expenditures, including funding to expand the police force and 100 million euro for modernization of vehicles,

infrastructure and technology. Last year, in an effort to minimize crime and improve the quality of life in Italy, a program was established for the development of “security pacts” (“Patti per la Sicurezza”) in Rome and Milan between national and local authorities. Many other pacts have been signed subsequently in other cities. This has become the answer to insufficient funding available to the Ministry of the Interior to combat crime, and the objective is to increase funding available through the participation of regional and municipal authorities. Resources from the municipal authorities and additional contributions on behalf of the provinces are gathered to create a special “security fund” that is transferred to the Ministry of the Interior and managed by the Prefecture. Funds are utilized by the National Security Council particularly to increase the number of officers of several law enforcement agencies.

In Italy and across Europe, emphasis has been placed on homeland security, transportation and critical infrastructure protection. Key areas of interest will include nuclear power plants, energy facilities, defense installations and other high-risk facilities. Opportunities should continue to present themselves in the aviation, maritime, supply chain and rail security areas as a result of security measures mandated by regulatory bodies. The air transportation sector and maritime industry in particular should continue to perform upgrades in order to fulfill ICAO mandates regarding security standards.

Best Products/Services

Equipment with the greatest sales potential includes airport passenger and baggage screening equipment, cargo/container scanning equipment, access control systems including biometric identification systems and CCTV systems, perimeter protection systems, fire-fighting equipment and systems, personal protection equipment, anti-intrusion systems, burglar alarms, and automated home protection solutions.

The access control sector represents one of the most promising areas in both the public and private sectors and comprises 40% of the security market. Many government organizations and private sector firms are enhancing their facility security by implementing access control measures. The best selling products are centralized (online) access control systems, and the identification technology that is mostly requested is Radio Frequency (RFID). Demand for biometric technology should see an increase within the next several years. In 2004, the Italian Government created a new working group to establish guidelines for the use of biometric technologies in the public sector, and a competence center was also established to assist public administrations in the biometric area. Increased investment can be expected by several government organizations, including ministries, which intend to enhance their facility security measures.

Port and maritime security has been a national priority, and port authorities continue to install necessary equipment throughout the country. Opportunities should continue to exist in major airports that will perform needed upgrades. The recently introduced U.S. legislation regarding container security should also provide specific opportunities for ports operating under the Container Security Initiative (CSI).

Increased awareness of worker safety requirements needed to diminish the number of on-the-job injuries and work-related deaths may present opportunities in the safety sector for personal protection equipment.

The U.S. market position in the sector has improved and has further possibilities as Italian security consumers consider the U.S. security equipment industry to be a world leader in the global marketplace. U.S. security technology is considered advanced and sophisticated. Security products with new, innovative and sophisticated features are in demand, but must be supported by strong after-sales service. The presence of a nationwide service organization that can guarantee installation and maintenance will prove a definite advantage, especially because customers generally will require training, support and maintenance.

Opportunities

To fight terrorism more effectively and enhance protection for citizens, the European Union has established the program "Prevention, Preparedness and Consequence Management of Terrorism and other Security Risks". The program adopted by the Council of the European Union on February 12, 2007 covers the period 2007-2013 with a budget amounting to ca. 140 million Euro. It offers a comprehensive framework and contributes to the development of the European Program for Critical Infrastructure Protection (EPCIP) as well as policy measures aimed at guaranteeing security and public order during a crisis situation. The general objective of the program is to support Member States' efforts to prevent, prepare for, and to protect people and critical infrastructure against terrorist attacks and other security related incidents. Furthermore, the program is intended to contribute to ensuring protection in the areas such as the crisis management, environment, public health, transport, research and technological development and economic and social cohesion, in the field of terrorism and other security and safety related risks within the area of freedom, security and justice.

Critical infrastructures should also continue to receive national funding to support necessary improvements. Italy lags behind in this area and needs to step up its efforts to comply with a new EU directive regarding EPCIP that should be published this year.

U.S. companies interested in public tender possibilities should consult Italian ministry websites for tender information. In addition, the U.S. Mission to the European Union maintains a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement (<http://www.buyusa.gov/europeanunion/> - see Chapter 8 for more information). EU public procurement announcements are also available on CD ROM, which can be ordered from EU official sales agents worldwide. Alternatively, the EU's website, http://www.buyusa.gov/europeanunion/tender_search.html, offers access to EU public procurement announcements free of charge.

Resources

Trade shows:

- Sicurezza and Sicurtech Expo 2008
- Milan International Fairgrounds
November 25-28, 2008
- The 14th edition of the Sicurezza biennial exhibition will be held November 25-28, 2008, at the Milan Rho-Pero fair complex. This edition will run simultaneously with the Sicurtech show, focusing on technologies for fire fighting, workplace safety and hygiene and civil defense. Both shows are organized by Fiera Milano Tech S.p.A. The U.S. Commercial Service has organized U.S. pavilions at the 2004 and 2006 editions. Information regarding potential participation during the 2008 edition is available on our website at www.buyusa.gov/en. Additional information regarding this trade show can be found by consulting the fair organizer's website:
<http://www.fieramilanotech.it/?id=MjQ0LTUwNi00NjEtRU5H&>.
- Fiera Milano Tech S.p.A.
<http://www.intelshow.com>

Websites and portals:

- European Union Portal:
http://europa.eu/index_en.htm
- Italian Government
<http://www.governo.it/>
- Italian Ministry of the Interior:
<http://www.interno.it/>
- ANCISS: Associazione Nazionale Sicurezza ed Automazione Edifici (National Association of Manufacturers, Installers and of security equipment - part of ANIE)
<http://www.anciss.it/>
- ANIMA: Federazione delle Associazioni Nazionali dell'Industria Meccanica varia ed Affine (Federation of the Italian Associations of Mechanical and Engineering Industries)
<http://www.anima.it/>

Security portals:

- <http://www.securindex.com/>
- http://www.sicurezzaonline.it/index_en.htm

Showcase Europe Website:

www.buyusa.gov/europe

CS Italy is the Showcase Europe coordinating post for the safety and security industries.

U.S. Commercial Service Contact:

Maria Calabria

Commercial Specialist

U.S. Commercial Service Rome

Maria.Calabria@mail.doc.gov

JAMAICA

Safety and security issues have become increasingly important to Jamaicans given the growing crime rate. As a consequence, there has been a proliferation in security and security related firms, which in turn has provided a captive market for safety and security equipment. This market is expected to remain relatively buoyant until a serious dent can be made in the crime rate.

Best Prospects/Services

A list of specific products in demand includes alarms, CCTV, gate openers, home security and door entry buzzers.

Opportunities

Most products in the sector have to be imported. The pervasive need and broad definition of safety and security products leads to them being retailed in several different outlets ranging from small hardware establishments to larger home improvement stores. On a national level, the GOJ, like other governments in the region and the world, is increasingly vigilant about ensuring that the nation's safety and security standards are in line with the needs of the citizens as well as with international obligations.

Resources

Ministry of Security <http://www.jis.gov.jm/security/index.asp>

MACAU (CHINA)

Hong Kong is a growing market for safety and security equipment and services. In general, the Hong Kong market leans towards more sophisticated, high-tech products, an area in which U.S. firms enjoy a prominent market share. In 2006, imports for security and safety equipment totaled approximately \$926 million. After Japan, the United States was the second largest supplier of high-tech security products. The European Union was the third major competitor in this area. China and Taiwan are market leaders in the low-end technology security market.

Being a regional transportation and logistics hub, Hong Kong spends heavily on security systems in its airport and freight-cargo facilities. Other areas of major security equipment outlay occur in commercial and financial sectors. Home security systems are becoming increasingly popular.

In neighboring Macau Special Administrative Region, major security companies are supplying sizeable integrated security systems for international hotels with casino facilities. Hong Kong and international security companies have won projects there, including the provision of advanced biometric identification systems for casinos. As the gaming industry booms, there are many deluxe hotels / casino development projects in the pipeline, which will require sophisticated security systems.

China's safety and security market demand is growing rapidly. The market has expanded from its traditional base in the financial, insurance, custom, police, and airport sectors to the construction, transportation, and tourism fields. U.S. manufacturers, contractors and vendors should actively market their products using Hong Kong as a springboard.

U.S. exporters should be aware that certain security products may be subject to U.S. Export Control Regulations, and should pursue China projects after determining compliance requirements.

Best Products/Services

Alarms and access controls
Identification devices
Biometrics
Radio frequency wireless technologies
X-ray scanners
Chemical detection systems
Rescue equipment
Surveillance equipment
Detention equipment

Opportunities

Hong Kong has been a sourcing agent for China in terms of security equipment. It reexported about 31% (or \$291 million) of its total security equipment imports to China in 2006. Re-exports of security equipment to China has shown tremendous growth (20% average annual growth rate for the period beginning 2004 to end of 2006). U.S. companies should use Hong Kong as a base for outreaching final customers in China. The Macau market offers outstanding opportunities. U.S. companies wishing to enter the Macau market may wish to partner with related Hong Kong companies, who are actively pursuing opportunities in Macau.

Resources

Trade Show:

- Asian Securitex 2008 - Asian International Security, Safety & Fire Protection Show and Conference
Date: June 4-6, 2008
Venue: Hong Kong Convention & Exhibition Center
Website: www.asiansecuritex.com

Trade Associations:

- International Professional Security Association (Hong Kong) Ltd.
Website: www.ipsa.com.hk
- Asian Professional Security Association
Website: www.apsahk.org

For more information about this industry sector, please contact U.S. Commercial Service:

Ms. Olevia Yim, Senior Commercial Specialist

Email: olevia.yim@mail.doc.gov

Tel: (852) 2521-1467; Fax: (852) 2845-9800

MEXICO

Mexico has the fastest growing security market in Latin America. InfoAmericas' analysis reveals that Brazil, Mexico, Colombia and Argentina are the four largest security markets in the region. Mexicans are looking for new ways to protect themselves from criminal and corporate attacks. Criminal offenses are a serious problem throughout the entire country. The security business is booming in Mexico. President Calderon's initiative to combat drug trafficking and related criminal elements has resulted in a major focus on public safety and security.

The safety and security market in Mexico over last two years has been an important priority for the Mexican Government (Federal, State and Local), private sector and citizens. The issue is so large that it is difficult to quantify, forecast or clearly measure. The safety and security market in Mexico is complex and involves many sub-sectors, including national security, industrial security (safety), electronic security, security services (personal protection, consulting, etc.), security systems, law enforcement products and services. Nevertheless, it is one of the most dynamic sectors with an estimated average growth of 12.5% in 2006. It is estimated that in 2007 the market grew 18%, an increase of over five points from 2006. In particular the electronic security is one of the most dynamic segments, as well as the inputs used for intelligent buildings. In the safety and security market, the government's consumption represents 60%, the private sector 25%, the manufacturing sector 10% and other 10%.

Since 2006, Mexican authorities have heavily invested in security measures to restore a sense of security among the population. President Calderón has devised a strategy for the period of 2006-2012 that includes a reliable and trusted police force to lower crime rates throughout the country. President Calderón's efforts to strengthen the Federal Police Force, eliminate corruption and create transparency in the judicial system will create a demand for security products and equipment. He recognizes the importance of national security as a driver to attract foreign investment.

The safety and security market continues to be a very dynamic sector due the consistent and growing demand for products and services. In general terms, local production is relatively low due to the fact that there are many firms representing and distributing U.S. trade brands, products and services. The United States still has the greatest market share in supplying electrical machinery (an area where many safety and security products are represented) but is closely followed by and increasing market share to Chinese, Japanese and South Korean market shares, which have initiated aggressive market entry strategies to obtain market penetration.

Best Products/Services

Best prospects for products and services in the security and safety sector include:

- Communication systems: the Mexican government is implementing an Integral

Crime Prevention Strategy, including the “Criminal Information System” under the Platform Mexico program.

- Portable bomb detectors, armored doors and tracking devices against kidnappers.
- Tactical products such as body armor, helmets, flashlights
- Armored vehicles (commercial and military)
- Sprinklers and smoke detectors
- Armored vehicles
- Biometrics
- Satellite tracking systems in commercial vehicles and private cars (GPS and RFID technology)
- Closed caption television systems (CCTV)
- Radio communication
- High tech surveillance cameras
- Flashlights
- High tech surveillance cameras
- Smoke detectors
- Perimeter residential systems
- Intelligent systems, alarms
- Personal protection devices (fences, locks, special lights)
- Access controls

Opportunities

Personal security products, protection products and high-tech solutions and services have the most significant opportunities due the demand from the governmental and private sectors. In 2007, some products and services reached spectacular growth: 20% for armored vehicles; 25% for CCTV solutions and 18% for electronic security. Some sources indicated that the local demand of security services in Mexico grew 50% during 2007.

Specific opportunities include:

- Metal and arms detection systems
- Explosive detection systems
- Night vision devices
- Electromagnetic (EM) technology systems; digital technology to filter noise and diminish false alarms
- Electric fence devices, motion detectors, glass breaking detectors
- Industrial: Chemical products, such as dry powder and CO₂ (carbon gas) used to combat fire.

Resources

Some useful resources in this sector include:

- American Society for Industrial Security (ASIS) Mexico Chapter: <http://www.asis.org.mx>
- Citizen Institute of Insecurity Studies, A.C. (ICESI): <http://www.icesi.org.mx>
- Mexican Institute of Intelligent Building, A.C.: <http://www.imei.org.mx>

- National Council of Private Security, A.C.: <http://www.cnsp.org.mx>
- National Institute of Statistics, Geography and Informatics (INEGI): <http://www.inegi.gob.mx>
- Latin America Security Association (ALAS): <http://www.alas.org.mx>
- Ministry of Economy: <http://www.economia.gob.mx>
- Security Magazine: Ventas de Seguridad: <http://www.ventasdeseguridad.com>

For more information on the security and safety sector in Mexico, please contact:
Silvia I. Cárdenas, Commercial Specialist

U.S. Embassy Mexico City
U.S. Commercial Service,
Tel: (011-52-55) 5140-2670
Fax: (011-52-55) 5566-1111
silvia.cardenas@mail.doc.gov

NETHERLANDS

Seaport Security Equipment and Systems

With the port of Rotterdam, the busiest port in Europe, and the port of Amsterdam ranking fourth in Europe, the Netherlands is often called the gateway to Europe. Recent international and national regulations mandating increased security have led both government and private organizations to allocate great resources for security upgrades. The port of Rotterdam was one of the first ports in the world that participated in the U.S. Department of Homeland Security's Container Security Initiative (CSI). The Rotterdam port and Dutch customs also cooperate with the Department of Energy's National Nuclear Security Administration (NNSA) on deploying and equipping radiation detection equipment. In 2006, the first nuclear detection gate was installed in the Rotterdam port. The International Ship and Port Facility Security (ISPS) code, which has been developed by the International Maritime Organization (IMO) became effective on July 1, 2004. The ISPS code aims at better protection against terrorism for ships and port terminals. The management of the port of Rotterdam, in cooperation with a U.S. insurance company and an international accountant company, developed a port security toolkit that has been used by all Dutch ports and several in Belgium and Germany. For companies with port related activities in the Rotterdam port, total costs to meet the ISPS code were estimated at \$150 million and for the companies in the Port of Amsterdam at about \$90 million.

Opportunities

The market for security equipment in the Dutch seaports has considerably expanded during the past few years. The implementation of the EU regulations on enhancing ship and port facility security, the Container Security Initiative and the IMO ISPS Code have strengthened the demand for a security regime for the total transport chain which include rail and road transport and inland shipping. Without an appropriate security regime, these modes may pose a security threat to the ports and shipping sector.

As an international transport hub, the transport chain starts and ends in the Netherlands. In that respect, the Netherlands actively supports efforts to achieve a more secure transport chain. This both to prevent damage from attacks, but also to be and remain a reliable political trading and transport partner for other countries. The Dutch realize that maritime security has become a significant factor in international competitiveness. Even though security is associated with extra costs for all partners involved, an adequate level of security is also seen by the Dutch private sector as a quality factor in retaining or attracting trade and transport business. In the coming years major investments are expected in access control systems, biometric identification systems, cargo and container scanning equipment, intelligent closed circuit television systems, underwater surveillance and detection equipment.

Resources

Web resources:

- National Platform for Crime Control: <http://english.justitie.nl/themes/>
- Security Trade Association: <http://www.vebon.org/?pagina=8>
- <http://www.verkeerenwaterstaat.nl/>
- <http://www.portofrotterdam.com>
- <http://www.portofamsterdam.com>
- Email address of local commercial specialist: bram.groen@mail.doc.gov

Airport Security Equipment and Systems

Amsterdam Airport Schiphol is the major international airport in the Netherlands. It is Europe's fourth largest passenger airport after London Heathrow, Paris Charles de Gaulle and Frankfurt and it ranks as Europe's third largest cargo airport, after Frankfurt and Paris Charles de Gaulle. In 2007, Amsterdam Schiphol Airport handled 47.8 million passengers and 1.6 million tons of cargo. The airport operator employs 2,300 persons while an additional 50,000 persons are employed by third parties such as cleaning, catering baggage handling, freight handling, security companies and shops. The three major regional airports in the Netherlands have limited airline services to European airports and serve as airports for private business and holiday flights. The Ministry of Justice is the first organization in the Netherlands that is responsible for establishing a security policy related to airports in concurrence with the Ministry of Transport, Public Works and Water Management. This situation is unusual, as in most countries airport security is the concern of the Ministry of Transport only. In Dutch airports, the prime responsibility for enforcement of security measures is with the Royal Dutch military police called Royal Marechaussee. This police force reports directly to the Ministry of Justice. Additionally, Amsterdam airport Schiphol and the regional airport make use of the services of private security companies. The Marechaussee has three major security tasks at Amsterdam Airport Schiphol: the protection of civil aviation, basic police tasks and border protection. This special police force does this in close cooperation with private security companies. The private security companies are responsible for screening baggage, search of persons, profile checks of passengers and supervision of cleaning personnel. Dutch Customs and the Dutch immigration service also play a major role in the security of the airport. Schiphol Airport has recently invested \$46 million in baggage scanners in the departure halls, which enables this airport to perform a 100% screening of

hold baggage. In the year 2008, Amsterdam Schiphol Airport expects to invest \$145 million in luggage handling equipment and security equipment. In addition to the 1,200 surveillance cameras already installed at Amsterdam Schiphol Airport, investments will be made in advanced smart cameras.

Opportunities

In the air transportation sector, security measures only become effective if all airports in the world apply them. In this respect the International Civil Aviation Organization (ICAO) aims at an action plan in which different security measures will be unequivocally applied in the short, middle and long term. One example is the 100% screening of hold baggage as of January 1, 2006. Within the ECAC/EU, various measures have been applied much earlier, such as the 100% hold baggage screening, which became effective on January 1, 2003.

In 2002, a European regulation came into force that tightens and uniformly employs security measures in all member states based on DOC-30 of the European Civil Administration Conference (ECAC). DOC-30 is the European manual developed by members of ECAC containing the European aviation security policy. The more stringent measures are related to key measures such as cargo regime, national quality control programs and 100% screening of hold baggage. On a local level, extra measures have also been taken with regard to airport surveillance, passport and ticket control and access control.

Resources

- <http://www.schipholgroup.nl>
- <http://www.verkeerenwaterstaat.nl/>
- National Platform for Crime Control: <http://english.justitie.nl/themes/>
- Security Trade Association: <http://www.vebon.org/?pagina=8>
- Email address of local Commercial Specialist: bram.groen@mail.doc.gov

NORWAY

The growth rate of safety and security equipment does not reach previous highs, but it still outperforms most other segments in the ICT industry by growing at a rate exceeding 10%.

Looking forward, the research group IDC expects the security market to perform better than most other technology segments, and IDC's 2003–2008 forecast shows a CAGR of between 10% and 20%, depending on the market segment. For example, the market research firm Datamonitor predicts that the digital video surveillance (DVS) market in Europe will experience a 51% growth annually.

Best Products/Services

Like most Nordic countries, most promising sub-sectors are equipment for corporate security and protection, ranging from alarms, surveillance cameras (increasingly digital) to complex systems that integrate fire alarm, access control, and area control. The market

for private guard/security services has also been growing significantly over the last years. Corporate investigation and forensics (theft, fraud, background checks and system break-in's) is a small but emerging market. Most importantly, research indicates that government and corporations still have much undone in terms of proactively securing their interests. Standards from EU and abroad drive a significant part of this market.

Hardware/equipment is taking a larger share of the market as many software solutions are replaced by "easy-to-install-and-manage" hardware, IDC Nordic reports. Like in the PC-market, when hardware prices fall rapidly, high unit growth rates are transformed into a more modest growth in revenues.

In software, secure content management continues to grow at a fast pace in response to the ever-increasing flood of viruses, worms, identity theft, fishing and SPAM that is draining productivity and threatening businesses' IT-systems.

The market research firm Datamonitor predicts that the digital video surveillance (DVS) market in Europe will experience an annual growth of 51%. Most of the products on this market are foreign, with only a few exceptions. The ITV market is worth about \$25 million.

It is estimated that residential fire alarms generate annual revenues of about \$50 million, and access control equipment about \$20 million. Trade figures suggest that alarms are installed in more than 50,000 residential houses every year, and in 20,000 office buildings, representing annual revenues of nearly \$20 million. It is estimated that up to 400,000 houses have theft alarms. Four market actors share most of the market. The market penetration is expected to be less than 20%.

Opportunities

Security services are the largest sub sector today, and over time, IDC predicts that this will be even more accentuated. The combination of increasing threats, higher complexity, and the emergence of large, trustworthy security services vendors will fuel the growth of managed services, lifting a heavy burden from worried IT managers.

Government procurement is expected to increase significantly in this market. During the past couple of years there have been many examples of sizeable revisions to the operating budgets of public safety and police authorities. Norway also seems to open up for use of biometric data collection through finger print scanning, which has been highly restricted so far.

Resources

- ASIS Norway
www.asis.no
- The Norwegian Ministry of Justice and the Police
<http://www.regjeringen.no/en/ministries/jd.html?id=463>
- The Directorate for Civil Protection and Emergency Planning
<http://www.dsb.no/forside.asp>
- NSO - The Norwegian Industrial Safety and Security Organization

PANAMA

The market for security and safety equipment continues to look very strong. While the crime rate is still relatively low, it is on the rise. A number of banking and commercial institutions have been targeted for armed assaults. There is also an increasing need for security equipment in residential areas and public places. Because of raising labor costs, many businesses and households are automating security. The United States has kept a strong presence in the security and safety equipment sector with more than 50% market share during recent years. U.S. products are of high quality. Major competitors are from Japan, Korea and Germany. There are no restrictions on the entry of security and safety equipment. U.S. and European standards are accepted in Panama. Import duties range between 10% and 15%. Main users are banks, the Panama Canal, retailers, ports, hotels, airports, hospitals, and large local and multinational corporations.

Best Products/Services

Best sales prospects are fire and burglar alarms, smoke detectors, electronic surveillance equipment and safe/strong boxes. Also, car alarm systems are always in strong demand.

Opportunities

New gated communities in Panama City and condominiums are increasing the use of surveillance electronic equipment. The Panama Canal is also a major user of security and safety equipment, as well as the ports, which rank as the largest in the region.

Resources

- Trade Shows – Panama:
<http://www.panamcham.com>
<http://www.expocomer.com>
- Panama Canal:
2/21/2008
<http://www.pancanal.com>
- CS Trade Specialist:
Enrique.Tellez@mail.doc.gov

PHILIPPINES

The Philippine market for safety and security products, equipment and technology continues to present promising opportunities to U.S. suppliers, particularly in the higher end and more sophisticated market segments. Industry insiders note that heightened awareness to protect life and property has been the main demand driver for safety and security products, as are efforts to upgrade or enhance security infrastructure in view of prevailing global and local security threats and risks.

In a related development, the Philippines signed into law the Human Security Act of 2007 (otherwise known as the Anti-Terrorism Law), underscoring government efforts in the fight against terrorism. Meanwhile, the Philippine government continues to seek bilateral and multilateral cooperation and assistance to upgrade and modernize the country's airports and port facilities in line with global trends of protecting critical infrastructure, while at the same time pursuing initiatives to enhance the capabilities of its Armed Forces and the local police force. These initiatives point out to a growing demand for safety and security equipment for use by the public sector.

Security related threats have also prompted the private sector – residential, corporate, commercial and industrial end-users alike – to enhance their security provisions, albeit in varying degrees. While most multinational companies would defer to security systems and provisions prescribed by their headquarters, local companies will factor in perceived need, affordability, reliability and other relevant criteria in their decision to acquire and install safety and security equipment.

System integration has been the prevailing trend in recent years, especially among the more sophisticated and complex projects and structures. Such an approach requires a seamless convergence of different types of security technologies and functionalities into a cost-efficient system.

The U.S. is still generally perceived as a source of high quality, reliable and more sophisticated safety and security equipment and technology, thereby commanding a significant share of this particular market segment. Several prominent U.S. brands have firmly established a local presence, mainly through local representatives or agents. U.S. suppliers, however, face strong competition from Europe, as well as Japan, Australia, Israel, Singapore, Taiwan, Korea and China (with the last three countries notably penetrating the lower-end and more price-sensitive market segments).

Best Products/Services

Industry insiders note stable demand for the following products:

- Access Security (e.g., access control systems, locks and fittings, ID systems, card access, anti-theft and anti-intrusion systems, perimeter protection and security, alarm systems and sensors);
- Electronic Surveillance (CCTV cameras, digital video recorders, and other digital surveillance equipment);
- Emergency Response Systems, Safety & Rescue equipment and Complementing Products (e.g., protective gear, breathing apparatus, safety apparel and footwear, life vests, etc.);
- Explosive detection and protection systems;
- Fire alarm systems, extinguishers, fire detection, prevention and/or suppression systems; and
- X-ray scanners, baggage/cargo screening, walk-through portals, handheld metal detectors and related equipment.

Opportunities

- Upcoming government tenders for upgrade of security infrastructure for international and domestic airports, seaports and cargo terminals. Immediate and long-term requirements include baggage and cargo screeners, x-ray scanners, access control systems, tracking systems and the like.
- The increase in demand from new residential communities (e.g., gated communities and villages), commercial (e.g., proliferation of malls, 24-hour convenience stores) and industrial developments (e.g., vertical developments in newly-established commercial and business districts, industrial park / export processing zone locators) being built within and outside Metro Manila calls for more sophisticated access control systems and similar security installations.
- The expected growth in emerging service industries such as mining and e-services (e.g., call centers, business process outsourcing) augur well for suppliers of safety equipment and related security provisions.
- Multinational companies operating in the Philippines that are looking to comply with global security systems and standards prescribed by their headquarters.
- Privately operated critical infrastructure such as power plants (especially in view of the on-going privatization of state-owned power generation and transmission assets) and telecommunication facilities, which are vulnerable to external threats, are either enhancing or upgrading their facilities.

Resources

- Department of Transportation and Communications: <http://www.dotc.gov.ph>
- Philippine Ports Authority: <http://www.ppa.gov.ph>
- Mr. Edu M. Niala Jr., Commercial Specialist
U.S. Commercial Service Manila
Email: Edu.Niala@mail.doc.gov, Manila.office.box@mail.doc.gov

POLAND

In general, Poland is a good market for U.S. homeland safety/security products. Poland is the sixth largest country in the EU with population of nearly 38 million people. Its 1,100-kilometer eastern border is now the largest external border in the European Union. Since Poland became a member of the European Union, all external security matters must comply with the “Common European Security and Defense Policy”, which defines external action through the development of military and civilian management capability. As a member of both NATO and the EU, Poland shares the same security priorities as its U.S. and European allies and is heavily involved in stabilizing Iraq and Afghanistan.

In addition, Poland faces threats that, while generally do not originate indigenously nevertheless pose serious challenges including the risks from international terrorism, organized crime, and illegal immigration. Poland seeks to improve its capacity to deal with any potential instability resulting from these or other threats.

Per EU accession, Poland is obligated to meet EU safety and security requirements. The new requirements create fruitful business opportunities for American producers and

distributors of advanced safety/security products. Poland has been a cooperative partner in several EU led security initiatives. The new European Security Research Program spans seven years and is valued at more than 1.4 billion EURO. The aim of the program is to protect against danger such as terrorism, crime and natural disasters. The funds will be made available between 2007-2013 as part of the 7th Research Framework Program to fund projects to improve civil security. Areas covered include security of citizens, security of infrastructure and utilities, intelligent surveillance and border security, and restoring security and safety in case of crisis. Three horizontal issues include security system integration, interconnectivity and interoperability, security and society, and security research coordination and structuring. The research program concerns civilian security forces only.

In relation to biometrics, the European Commission is considering a centralized fingerprint database to facilitate the exchange of information among EU law enforcement agencies to help tackle organized crime and terrorism. The EU member countries are also collaborating on the European Program for Critical Infrastructure Protection, a strategy to defend citizens from terrorism and protect against all hazards including natural disasters and industrial accidents, and the Detection Technologies Program focused on detection technologies in the broad sense including metals, biometrics, CCTV, and associated technologies (gas detection, etc) as well as explosives (including chemicals), bio-preparedness, and radiology and nuclear preparedness.

For more information about EU programs, please contact Isabelle Maelcamp at the U.S. Mission to the European Union Isabelle.Maelcamp@mail.doc.gov

Best Products/Services

The United States, traditionally the largest supplier of up-to-date safety and security equipment, has good potential to serve the Polish market. However, technological advantage is not the only factor determining success in the market. American companies should focus on educating systems users and other players in the distribution network channel. A successful exporter should support its local agent at trade shows, seminars and conferences, and in advertising. European and Israeli manufacturers are the main competitors to U.S. firms. They are expected to increase market share due to their competitive price as well as EU funding for Poland.

Interest is focused on protection for government and other official buildings along with embassies and multinational companies, public spaces and events. This creates opportunities for U.S. security /safety manufacturers in the following areas: systems for security and surveillance, X-ray baggage and cargo screening control systems, camera enclosures, walk through (door-type) metal detectors, hand held metal detectors, card access control and alarm monitoring systems, surveillance and detection equipment, control panels, codified access supplies and cardkeys, alarm systems and electrical signaling, and other types of safety equipment.

Opportunities

After the events of September 11 in the United States and consecutive terrorist attacks

in Europe including London and Madrid, Poland has placed a significant emphasis on security of critical infrastructure within the country and its borders. There are several factors driving the increase in sales of security products and services in Poland. Among these contributing elements are:

- The terrorist attacks mentioned above,
- Poland became a member of NATO in March 1999, and in doing so agreed to upgrade its military security to meet NATO goals,
- Poland became a member of European Union in May 2004, and in doing so agreed to upgrade its eastern border surveillance system to meet EU security requirements,
- Poland became a U.S. close ally in Europe through its support in international intervention in Iraq and Afghanistan, and in doing so became a potential target for terrorist attacks,
- Poland will host the EURO 2012 - European Football Championships, and in doing so is required to respond to new challenges including safety/security issues.

Poland's geographic location within Europe makes it a logical gateway for legal and illegal immigrants entering the European Union. Law enforcement experts indicate that drug and weapons traffickers transporting their prohibited cargo into the rest of Europe also use the pathways used by illegal immigrants. Further, there are strong requirements within the EU, which intensify the demand for added controls at the Polish airports, seaports, and land borders. Finally, Polish military involvement in Iraq and Afghanistan contributes to a heightened interest in security products and services against terrorism.

Resources

Participation in trade shows, conferences and seminars is a very effective avenue for promotion in Poland and its neighbors. The major events in the security/safety sector in Poland are:

- CLO & Granica - International Exhibition For Border Control And Border Guards, the only event in this sector in Central and Eastern Europe. The event is held on a yearly basis in Warsaw. The next show will take place October 1-2, 2008. The website is currently under construction.
Organizer: Zarzad Targow Warszawskich Biura Reklamy S.A.
ul. Pulawska 12a
02-566 Warszawa, Poland
Tel: +48/22 849-6006 ext. 104 or 107
Fax: +48/22 849-3584
E-mail: elzbieta@brsa.com.pl or karlowska@ztw.pl
- Securex - International Security Exhibition, held annually in Poznan. The next show will be held April 22-25, 2008. For more information, please see <http://securex.mtp.pl/en>
Organizer: Miedzynarodowe Targi Poznanskie Spolka z o.o.
(Poznan International Fair)
ul. Glogowska 14
60-734 Poznan, Poland

Tel: +48/61 869-2000

Fax: +48/61 869 2955

Contact person: Mr. Bartosz Zeidler, Securex Project Manager

Tel: +48/61 869 2202

- EuroPoltech - International Exhibition For Technology And Equipment For Police And National Security Forces, held annually in Warsaw at the Centrum Expo XXI center. The next show will be held April 22-24, 2009.

For more information, please see <http://www.europoltech.pl/>

Organizer: MTG Miedzynarodowe Targi Gdanskie S.A.

Biuro Organizacyjne EuroPoltech

ul. Beniowskiego 5

80-382 Gdansk, Poland

Tel: +48/58 554 9213 or 554 9328

Fax: +48/58 552 2243

E-mail: europoltech@mtgsa.com.pl

Contact person: Mr. Marek Buczkowski, Poltech Project Manager

- MSPO - International Defense Industry Exhibition, the major event in the defense sector in Central and Eastern Europe, held annually in Kielce. The next show will be held September 8-11, 2008. The MSPO is accompanied by the International Logistics Exhibition - Logistyka held at the same time in Kielce at the MSPO fair grounds.

Logistyka is dedicated to border control, police and firefighting activities.

To reserve a space at MSPO 2008 you may contact:

Private U.S. Show Organizer: Kallman Worldwide, Inc.

4 North Street, Suite 800

Waldwick, New Jersey 07463, USA

Tel: +1 202 251 2600

Fax: +1 201 251 2760

www.kallman.com

Contact person: Ellen Demarest

E-mail: ellend@kallman.com

The MSPO Show Organizer directly: Targi Kielce

ul. Zakladowa 1

25-672 Kielce, Poland

<http://www.mspo.pl>

Tel: +48/41 365 1298

Fax: +48/41 365 1279

Contact person: Ms. Katarzyna Prostak, MSPO Project Director

E-mail: prostak.k@targikielce.pl

- **Commercial Specialist**
at the U.S. Commercial Service Warsaw, Poland:
E-mail: Zofia.Sobiepanek@mail.doc.gov

QATAR

Comprehensive statistics for the sector are not available as the government of Qatar does not publish trade data for all military and security items.

High economic and demographic growth and the changing geopolitical climate have made Qatar focus on security. There has been a noticeable increase in security procedures in private and government establishments. Private and semi-private entities are upgrading existing security and safety equipment to keep ahead of changing security situations. Given the high regard local consumers have for U.S. expertise in the security sector and the favorable exchange rate compared to other hard currencies, U.S. exports of security related equipment and systems are expected to increase in coming years.

Best Products/Services

- Access control
- Asset tracking
- Chemical trace detection
- Computer security
- Forgery/ Fraud
- Integrated security systems/ Building management systems
- Intrusion detection equipment
- Perimeter protection
- Protective barriers
- Travel safety and security
- Electronic safety and fire detection
- Metal detection
- Communications systems

Opportunities

Qatar has embarked a vast program to reform its police and military units. Information about projects with the Ministry of Interior, Qatar Armed Forces or any other security agency is considered sensitive.

Resources

Ministry of Interior

Contact the Commercial Section of the United States Embassy in Doha through:

<http://www.buyusa.gov/qatar/en/47.html>

ROMANIA

The local production mainly represents spare parts assembling and integration in complex systems. Starting with 2007, the local market increased due to the maintenance and repairs market share development.

The fact that Romania recently became a NATO member increased its strategic importance in the Black Sea region and provided better cooperation with the U.S. This coupled with its recent accession to the EU, as well as possible resulting effects (e.g. increased risk of terrorist attacks) will undoubtedly spurn growth in the airport/port and border security market resulting in significant opportunities for much needed U.S.

security technology and know-how. The market size for the airport & port security market can be estimated at a minimum \$250 million in 2007 and with projections maintaining this trend for 2008 to 2009.

The Romanian market for safety and security equipment continues to be a promising market for U.S. suppliers. Industrial safety awareness is also on the rise, providing opportunities for U.S. producers of safety products. U.S. companies are present in the market, but do not hold a leading position. They share the security market with German and Israeli firms as follows: The perimeter security systems market is 80% dominated by Israeli companies, the trans-border systems market is 90% controlled by German companies, and the navigation systems market is 75% covered by US companies. Romanian end-users consider the U.S. security equipment industry to be the world leader in the global marketplace. U.S. producers have and will continue to have a competitive advantage in Romania because U.S. technology overall is considered technologically advanced and sophisticated. The weak dollar may also be considered a determining factor in the selection process.

Best Products/Services

Products and services offering the best potential for U.S. sales are:

- Cargo Risk Analysis Systems and Software;
- Non-intrusive X-ray inspection (fixed and mobile);
- Seals and locks for cargo containers including railroad, trucking and ocean transportation;
- Sea and Airport Security Systems and Equipment;
- Supply Chain Security;
- Night Time Surveillance and Infrared Technology;
- Access Control Equipment;
- Sensing and detection Equipment;
- Imaging Equipment;
- Surveillance Equipment (Closed Circuit Television (CCTV) Systems);
- Biometric Identifiers;
- Contact and non-contact electronic access control systems;
- Electronic shop lifting prevention equipment;
- Wireless alarm systems;
- Anti-intrusion systems;
- Automated home protection solutions;
- Regulations within the Private Security Industry;
- Forensic equipment;
- Bomb disposal equipment;
- Personal Protective Equipment;
- Fire detection/suppression products;
- Security Services;
- Training Services.

Opportunities

In Romania, as in other markets, a strong emphasis has been placed on homeland security, transportation and critical infrastructure protection. Key sales opportunities will include nuclear power plants, energy facilities, defense installations, airports and other high-risk facilities. Opportunities will continue to present themselves in the aviation, maritime, supply chain and rail security areas, as a result of mandatory security measures put in place by regulatory bodies. Potential opportunities for the introduction of new products have to meet the need for system upgrades and replacements.

Areas of opportunity are varied and include biometric applications, particularly with the introduction of biometric identifiers into the uniform format of visas, residence permits for third country nationals and eventually EU citizen's passports. A variety of other applications are foreseen in both the public and private sectors. Forecasts on the increase of these applications show a market in rapid expansion that is expected to quadruple in the next several years.

Other areas of expansion that may offer the greatest growth prospects include market segments such as RFID (Radio Frequency ID) technology, airport passenger and baggage screening equipment, port container scanning equipment, electronic article surveillance (EAS), explosives and metal detectors. Other areas that have seen rapid expansion and that will continue to grow include CCTV systems and access control in general, perimeter protection systems, residential alarms, other advanced electronic systems and security services, including guard and alarm monitoring services. The segments that may provide opportunities also include fire-fighting equipment and systems and personal protection equipment.

The niche sectors that offer the best potential for U.S. sales in addition to airports, ports and ground transportation include; defense, police and Special Forces units, nuclear power plants and nuclear-related industries (heavy water production, uranium enrichment, nuclear transport monitoring, pollution/radiation monitoring) utilities (production, transport of gas, electricity), refineries, and other industrial units.

Resources

- Monica Eremia, US Commercial Service
E-mail: Monica.Eremia@mail.doc.gov
- National Agency for Controlling Exports of Strategic Products (ANCEX):
www.ancex.ro
- Association of Romanian Defense Producers (PATROMIL): www.patromil.ro
- Ministry of Interior and Administrative Reform: www.mira.gov.ro
- Security Companies Employers' Association: www.patrosec.ro
- Romanian Security Technology Association: www.arts.org.ro
- <http://www.bsda.ro>
- <http://www.expomil.ro>
- <http://www.exposecurity.ro>

RUSSIA

The Russian market for safety and security systems is developing rapidly, offering great potential for U.S. companies. In 2006, the total value of the safety and security services and equipment market was \$5.6 billion. Russia's demand for safety and security systems is expected to grow 21% and reach \$6.8 billion in 2007, with services totaling \$5.1 billion, or 75% of the market, and safety and security equipment amounting to \$1.7 billion. Regarding regional segments, 60% of the market is concentrated in Moscow and St. Petersburg, 23% in the Urals Federal District, 11% in the Siberian Federal District, and 6% in the Northwest Federal District. The rest of the market is divided between the Volga, Far East and Southern Regions.

Annual market growth in the equipment segment is 12% to 30% depending on the product category. In 2006, the Russian CCTV and video surveillance segment totaled \$420 million, or 30% of the equipment market, with 30% annual growth. It is considered the most developed and competitive segment. The size of the security and fire alarm segment was around \$320 million (23% of the equipment market), increasing 12-15% annually. The intruder alarm and perimeter protection segment was also worth \$320 million, growing 12-15% per year as well. Access control systems reached \$225 million, a 16% share of this market, with current annual growth of 15-16%. Other more minor product categories account for the remaining \$115 million of the 2006 equipment segment.

Depending on the segment, the share of imported products ranges from 50% to 80%. Experts estimate that up to 80% of access control, about 50% of intruder and fire alarms, and more than 80% of CCTV systems are imported. Even locally manufactured equipment contains 60% to 80% imported components. Low cost solutions come from China, Taiwan, and Korea and are popular in Russian regions, i.e. outside Moscow and St. Petersburg. Premium systems are imported from the U.S., Europe (Great Britain, Germany, France, Italy, Poland), Japan, and Israel. Both government organizations and private entities (mainly in real estate, banking, retail, and oil and gas) are the major end users of a wide variety of security equipment. Currently, there are over 300 distribution companies working in the Russian security market. Finding a local partner knowledgeable in the industry and experienced in procurement tenders would be the shortest path to successfully entering the Russian market.

Best Products/Services

Industry specialists note that one recent trend is the convergence of information and safety and security technologies, which creates more opportunities for high quality U.S. technology exports. The IP-based CCTV segment was expected to exceed 100% growth in 2006. Color CCTV cameras will outnumber monochrome units. The best opportunities for sales of U.S. manufactured hardware are: IP-based solutions in various equipment segments, access control systems, fire/intruder alarm systems, integrated control systems, biometric equipment, identifiers and readers, antiterrorist equipment, and anti-theft systems.

Opportunities

The strength of the safety and security systems market is in its constant innovation and price competitiveness. New concepts and products may open new opportunities. Participation in industry events is very important in this Russian market and it also facilitates successful market entry. For example, the 2008 Security and Safety Technologies (SST) trade show has been officially recognized by the U.S. Department of Commerce and accredited for the first time as a Department "Certified Trade Fair." The event, which will be held in Moscow from February 5-8, 2008, is the leading security exhibition and congress in Russia, CIS and Eastern Europe.

Resources

- Russian Security Industry Association
Moscow, Russia
http://www.rasi.ru/index_eng.php
- Groteck Co., Ltd.
Moscow, Russia
<http://groteck.net/security>
- VNIPO, All-Russian Scientific-Research Institute for Fire Prevention (Fire security equipment certification body)
Moscow, Russia
<http://www.vniipo.ru/>

Trade Events:

- SST (International Forum & Exhibition "Security and Safety Technologies")
Moscow
February 5-8, 2008
<http://www.tbforum.ru/eng>
- MIPS (Moscow International Protection, Security & Fire Safety Exhibition)
Moscow
April 14-17, 2008
<http://www.mips.ru/eng/>
- Interpolitex. International Exhibition of Police and Defense Technologies
Moscow
October 28-31, 2008
<http://www.interpolitex.ru/en/>

Publications:

- GMT Plus; Russian Security Media & Exhibitions Brand Awareness 2006 Report
Moscow, Russia
<http://www.gmtplus.com/publications.php?id=9>
- CCTV Focus Magazine
<http://www.cctvfocus.ru/>
Sec.ru
<http://www.sec.ru/>
- Commercial Service Contact
Elizaveta Minyaeva, Commercial Specialist
elizaveta.minyaeva@mail.doc.gov

Tel: +7-495-737-5035 (direct); +7-495-737-5030

SAUDI ARABIA

Saudi Arabia has become one of the world's fastest growing single market for security equipment and technology. Safety concerns in Saudi Arabia have fueled a rapid expansion of market for security equipment and services. The terrorist attacks in the past few years have forced many institutions, companies and industries to re-evaluate their security needs. The market has grown astronomically by an estimated 40% in 2005 and expected to remain buoyant in 2006 and beyond.

Best Products/Services

Good potential exists for various equipment and systems across the board, but mainly, for access control, identification equipment, closed circuit television, surveillance and scanning equipment. End-users are becoming more sophisticated about using security products, both on a personal and corporate level. As such, the demand for new technologies and enhancements to existing systems is increasing in line with allocated expenditures for these systems and services.

Opportunities

The drive to improve security at all levels is now in high gear. Saudi Aramco is the largest non-military end-user of security items, and about 80% of its security requirements are sourced from the U.S. Major oil and gas, petrochemical and industrial projects stimulated a growth in this sector. Prominent among the ongoing projects are:

- Saudi Aramco's project to acquire technologies in the field of Long Range Detection for its 33 large sites.
- Saudi Arabia is pushing ahead with plans to build a 560-mile fence along its border with Iraq.

Resources

www.security.gov.sa www.swcc.gov.sa
www.se.com.sa www.ports.gov.sa
www.intersecexpo.com www.sabic.com
www.saudiaramco.com

SOUTH KOREA

In 2006, the overall size of Korea's security industry, including equipment and services, exceeded \$2.1 billion. Provision of security guard services continued to account for over 50% of the total security market followed by leased and installed security equipment, which accounted for 25% of the market. Security devices took a 15% share. In 2006, the size of the security industry market increased by around 10%. In that year, airports and ports started to replace existing security systems while large private companies showed increasing interest in installing integrated security systems. The security industry is projected to grow by an average of 10% per year for the next few years.

Total imports of security equipment and related products in 2006 were estimated at \$1.2 billion. U.S. firms are the major suppliers of airport and port security equipment, which includes X-ray scanning systems, computerized topography X-rays, magnetometers, hand-held detectors and explosive trace detectors. Total imports of airport and port security equipment in 2006 were estimated at \$617.5 million. U.S. imports accounted for 25% at \$154 million. CS Korea expects that U.S. imports will maintain a steady market share in Korea's import security industry for the foreseeable future.

Best Products/Services

- Detection units for passenger baggage and cargo screening and their parts & components
- Drug/explosive detect/analyzing systems
- Explosive detection security systems integration for ports and airports
- Container Screening systems

Opportunities

The local security equipment manufacturing industry's technology level lags behind that of the major NATO member countries, especially in the area of providing high-end security solutions and C4ISR infrastructure to meet end-user requirements. As a result, the industry's major Korean players, who are also systems integrators, are seeking opportunities to develop top-notch technology in cooperation with foreign companies.

Government agencies are end-users for integrated systems for security devices and command and control infrastructure. In particular, airports, ports, and customs offices are seeking advanced integrated security systems devices. U.S. companies have a larger share of the Korean market for X-ray detection systems and container inspection systems than European and Japanese firms. U.S. systems, certified by the Transportation Security Administration (TSA) and the Federal Aviation Administration (FAA), should have growing market opportunities in Korea due to confidence in the quality of systems with these certifications. U.S. companies are encouraged to monitor government procurement plans and establish consortia with prime Korean contractors in systems integration.

Resources

Trade Shows:

- SecuWorld 2008
June 25-27, 2008
<http://www.secuexpo.com/>
- Korea International Safety & Security Exhibition
June 30-July 3, 2008
www.KISS21C.org

Key Contacts:

- Civil Aviation Safety Authority
www.casa.go.kr
- Incheon International Airport Corporation (IIAC)
www.airport.or.kr
- Korea Fire Equipment Inspection Corporation

- <http://www.kfi.or.kr/>
- Korea Occupational Safety & Health Agency
www.kosha.net
- Civil Defense and Disaster Management Bureau
Ministry of Government Administration and Home Affairs
<http://www.mogaha.go.kr>
- Fire Administration Bureau
Ministry of Government Administration and Home Affairs
<http://www.mogaha.go.kr>
- Anti Terror Division
National Police Agency
<http://www.npa.go.kr/eng/index.jsp>

Local Contact:

(Mrs.) Myoung Soo Lah
Commercial Specialist
Commercial Service Korea
U.S. Embassy
32 Sejong-ro Jongro-gu
Seoul 110-710 Korea
Tel: 82-2-397-4516
Fax: 82-2-739-1628
Email: myoung.soo.lah@mail.doc.gov
Website: www.buyusa.gov/korea

SPAIN

The market for security equipment and services is expected to maintain a significant level of demand, both in the public and private spheres. In addition to the threat of terrorism, the geographic proximity to North Africa, making Spain a logical gateway for illegal immigration and drug traffic, as well as concern over increasing presence of organized crime are drivers of demand in security equipment and services.

An important market trend is customer demand for integrated solutions, covering on-site and immediate response personnel, electronic security and alarm systems, and fire related security.

U.S. security products enjoy an excellent reputation as being high quality and state-of-the-art. Teaming with a Spanish counterpart should be considered as one option to develop an effective market access strategy.

The market for safety and fire protection equipment is expected to have a lower growth rate in 2008, between three and four%, as the end of the residential construction boom impacts demand for products in that important segment. Other market segments for safety products will maintain growth rates closer to eight%.

Best Prospects/Services

Best prospects are products focusing on counteracting terrorist threats, such as explosives detection; equipment for scientific police and high-end surveillance systems, as well as consumer-focused security solutions, like IP video surveillance.

Opportunities

There is renewed interest by municipalities and transport authorities in video surveillance systems as a crime deterrent. Firefighting equipment and services for wildfires are also in demand, as well as security equipment for penitentiaries and detention centers, due to the construction of new facilities.

Resources

- Spanish Ministry of Interior: www.mir.es
- Association of Spanish security companies (AES): www.aesseguridad.es
- Association of private security services (APROSER): www.aproser.es
- Association of safety equipment (ASEPAL): www.asepal.es
- Association related to protection against fire (Tecnifuego AESPI): www.tecnifuegoaespi.org
- Security trade show: SICUR (Madrid, 26-29 February 2008) www.sicur.ifema.es
- Security trade show: Integra + Seguridad 2008 (Zaragoza, May 21-23, 2008): www.integramasseguridad.com
- Security Trade Show: Homeland Security 2008 (Madrid, December 1-4, 2008): www.homsec.es
- Online security magazine: www.sisonline.com
- Commercial Service Spain: www.buyusa.gov/spain
- Trade Specialist for the security sector: Jesus Garcia: jesus.garcia@mail.doc.gov

SWEDEN

The Swedish market for safety and security equipment has grown significantly in the recent years and the current turnover reaches \$4.9 billion. The estimated annual market growth is 13%. The fastest growing sub-segments are technical security (17%), camera surveillance (16%) and passage control (11%). The whole concept of security thinking has gradually changed in Sweden as the risks for both conventional and cyber terrorism have become more tangible. In addition to the more traditional security measures, concerns such as BCP, airport and hotel security, access control and CBRN protection have come into focus.

The largest end-user groups of security and safety equipment and services are the public sector, manufacturing and transportation industries, large private companies in the high-tech fields, hotels and companies handling dangerous goods. Private households have in the past been more interested in less complicated security equipment, such as intruder alarms and lattice windows and doors. The demand for more complete domestic protection using latest technologies is, however, rapidly growing.

U.S. products enjoy a good reputation in the Swedish market. The main competitors are the strong and even globally active domestic manufacturers and German and U.K. suppliers. There are no trade barriers or market impediments for security and safety equipment.

Best Products/Services

The most promising sub-sectors are equipment for both domestic and corporate security and protection, ranging from simple alarms and protective devices to complex systems that integrate fire alarm, passage control, area control and CCTV. Other growing sectors are consulting and guard services and security training sectors. In the IT security market the largest subgroups are identification systems, anti virus programs, PKI, intrusion detection and backup equipment.

Opportunities

Sweden provides good opportunities for U.S. companies in the field of biometrics, border control and high threat target security. In 2005, Sweden enforced the use of digital passports and identity cards. The new identification and travel documents use facial recognition software, and both documents will at a later date also include a fingerprint image for further identification. Sweden is actively working on the Schengen Information System II project, and assessing potential biometric technologies for border crossing. There are also good prospects for products and services within electronic locking, access card systems and passage control systems using biometrics and infrared (IR) and radio frequency (RF) technologies.

Resources

Swedish Police Board www.polisen.se

Swedish Safety & Security Companies www.swesec.se

Ministry of Justice <http://www.sweden.gov.se/sb/d/584>

Nuclear Power Inspectorate www.ski.se

Major Trade Events:

Skydd 2008, Protection and Security Expo

September 30 – October 3, 2008

-Held in Stockholm every other year; the largest safety and security show in Northern Europe

http://webfair2.stofair.se/Skydd_eng/index.asp?language=EN&menulink=2

Local Commercial Specialist: Tuula Javanainen, Tuula.Javanainen@mail.doc.gov

SWITZERLAND

Switzerland (pop. 7.4 million) sits squarely in the heart of Western Europe. Although Switzerland is known as a very safe country, in recent years there have been incidents of violence, (armed) robberies, youth crimes, and burglaries. Switzerland's demographic profile has changed within the last decade. Accompanying societal changes is a growing security consciousness among the Swiss at all levels of government and in the business community with measures being taken to protect data, access control, peripheral security,

transportation and other critical infrastructure. There is growing demand for equipment used in access control, detection, surveillance and law enforcement. Furthermore, there will be ample opportunities for sales of security products in the fields of aviation, supply chain, and retail. Switzerland is host of the UEFA EURO 2008 in June, prompting considerable investment in security and market growth in 2008 estimated at 3-4%. The total Swiss safety and security market was valued at an estimated \$448 million in 2006 with total imports valued at \$201 million. U.S. imports were valued at \$97, which represents an import share of nearly 50%. U.S. suppliers enjoy excellent acceptance in the Swiss safety and security market.

Largely predicated on sales of CCTV, biometric applications and proximity systems, large and small-sized enterprises have begun to retrofit and incorporate new systems and technologies into existing security systems. The growing Swiss presence of regional headquarters of U.S. and other multinational corporations represents a significant end-user market segment. Airports represent another major purchaser category based on ongoing security enhancements to meet international agreements and bilateral agreements with the EU. Switzerland's largest airport, the Zurich International Airport, must improve its security standard for airport employees, thereby considering biometric data as a possibility. Implementation of stiffer security standards for passengers is also envisioned.

Best Products/Services

The most promising growth prospects are those in newer market segments, including airport passenger and baggage screening equipment, CCTV systems, perimeter protection systems, access control systems (including biometric identification systems), law enforcement equipment, explosives and metal detectors, forensic equipment, residential alarms and other advanced electronic systems. U.S. suppliers are especially competitive in access control equipment, biometrics applications, law enforcement supplies and equipment, forensics equipment, and surveillance equipment, including CCTV Systems.

Swiss private and public sector interest in biometric-based solutions and services is growing rapidly. Both Swiss end-users and OEMs are using biometrics in a broad field of applications where secure identification is required. The Swiss government has taken measures to tackle hooliganism at sports events, including automated facial identification systems. Major Swiss OEMs are incorporating biometric identification technology into their mechanical keys.

Resources

This section was prepared by Commercial Specialist Sandor Galambos, sandor.galambos@mail.doc.gov

THAILAND

The market for safety and security equipment is projected to continue its annual growth trend of between 10-20% over the next few years. Demand for security equipment has

grown in both the public and private sectors. The ongoing unrest in Thailand's three southern-most provinces requires the Royal Thai Government to spend significant amounts to ensure the protection of citizens and government property. Additionally, an increasing threat on personal property and business establishments due to the country's overall economic slowdown has increased the demand for safety equipment in the private sector.

CCTV is the largest segment (70%) of the overall security equipment market. Industry experts believe it will continue to be the most popular security option and, hence, offer the greatest growth potential. This market segment attracts a large number of players supplying products of a wide variety of quality. Imports from China and Taiwan are at the lower end of the market, while American, European and Japan are at the high to medium end.

Current estimates value the fire alarm market at approximately \$60 million, and demand for fire alarm system is expected to grow ten-folds with the legal enforcement of the Building Inspection Law. This soon-to-be implemented regulation will create a market of 15,000 to 20,000 building units that need new fire alarm systems. Thus, companies in the security industry are optimistic about the growth of this market segment.

American safety & security equipment competes particularly well in the high-end market, which accounts for 70% of the overall market. Quality and technology that result in greater reliability are the key competitive advantages for American products in market segment for which the costs of device failure are formidable.

Best Prospects/Services

Best sales prospects for security and safety equipment include:

- Video Surveillance Systems
 - Digital video recording and network transmission
 - CCTV and night vision equipment
- Anti-Intrusion Device
 - Alarm systems
 - Fire / Intruder alarm system
- Detection Equipment
 - Handheld / Walkthrough metal detectors
 - Motion detectors
 - X-ray / Screening equipment
- Access Control Systems
 - Card technology systems
 - Biometrics devices
 - Car park management devices
 - Security doors and power fences

Opportunities

In addition to CCTV, fire alarm system offers key growth opportunities. This soon-to-be implemented Building Inspection Law will create a market of 15,000 to 20,000 building

units that need new fire alarm systems.

Resources

<http://www.customs.go.th>

UKRAINE

American-made security and safety equipment is one of the most promising industrial sectors for export to Ukraine. As domestic manufacturers are unable to meet demand, both in terms of technology and quality desired, U.S. exporters may find that the local market offers many opportunities, especially in the high-tech end of security products. The rapid growth of private banks and corporations, retail supermarkets and warehouses has been accompanied by an increased demand for security software, smoke detectors, sophisticated wireless security solutions for surveillance, perimeter and access control. Ukrainian companies are willing to pay top dollar for an effective security package.

The local customs, railroads, airlines, airports, law enforcement agencies and private security companies show a growing interest in high-tech antiterrorist equipment, which is not manufactured locally. Import of security and safety equipment into Ukraine requires certification and licensing from relevant Ukrainian government agencies, which is often a cumbersome process. Export of some security items to Ukraine is subject to the export licensing by the U.S. Department of Commerce (see <http://www.export.gov>).

Best Prospects/Services

Access control systems
Equipment for detection of explosives and drugs
Security software for corporate customers and banking
Smoke detectors
Perimeter control systems
Wireless security solutions.

Opportunities

Public procurement tenders:

http://www.zakupivli.com/control/en/publish/article?showHidden=1&art_id=575386

Resources

- The State Security Service of Ukraine: <http://www.sbu.gov.ua/eng/>
- The Ministry of Interior of Ukraine:
http://www.kmu.gov.ua/control/en/publish/article?art_id=89480&cat_id=73007
- BEZPEKA (Security) - Leading Ukrainian annual trade show on safety and security (see <http://www.bezpeka.ua/> for Directory of Participants)

VIETNAM

Although safety and security regulations are often applied in an arbitrary fashion, the Vietnamese Government has undertaken efforts to increase security in public areas,

most notably at airports, governmental and corporate buildings, and foreign/international organization sites.

Safety equipment accounts for 60%, while security equipment accounts for 40 percent of the total market. This industry continues to experience growing demand in commercial sectors such as construction, commercial and residential buildings, banks, municipal fire prevention and fire fighting, maritime facilities and at airport facilities. A significant portion of the demand for safety and security equipment in Vietnam is tied to the development of foreign-invested construction and manufacturing projects, while the Government also continues to spend on infrastructure. Security equipment import taxes range from 0% - 40%, depending on the components and the manner in which the components and systems are imported into Vietnam. Building-related equipment and systems with foreign investor's capital contribution may be imported duty free. The Government monitors the sector per Decree 14/2001/ND-CP, which rules that foreign organizations are not allowed to provide security services. They are, however, permitted to produce and repair equipment and tools used for security purposes. The import or export of security equipment requires approval from the Ministry of Public Security.

Best Products/Services

Although demand for safety and security equipment from the commercial sector such as buildings, housing and hotels has experienced steady growth, the demand from the industrial sector and infrastructure development sectors has grown even more rapidly. Specifically, there is increasing demand for specialized foam, CO2 and inert gas suppression systems and gas detection systems from industrial and infrastructure projects such as power generation plants, oil and gas processing plants and airports. There are gradually increasing opportunities for U.S. suppliers to provide sprinkler heads, sensors, hose/reels and break glass alarms. U.S. companies have also been successful in supplying control panels, fire extinguishers, hydrants, and pumps to oil and gas operations as well as to several power plants and airport projects in Vietnam.

Opportunities

Primary sales of safety and security equipment have occurred in the construction market, where development of transport (roads and bridges), power (thermal and hydro), oil and gas (plant and pipeline), environment (water drainage), and buildings (hotels and commercial sites) has outpaced other types of development projects. Foreign development companies have been the predominant buyers.

Fire fighting and fire protection equipment is in big demand, as are monitoring and access control devices for buildings. More than 95% of Vietnam's security safety equipment/systems are imports since the supply of domestic equipment by local companies is limited. Local manufacturers currently produce only low-end items such as locks, safes, safety gloves and ropes.

Competition in this sector is intense. Major suppliers include Japan, England, South Korea, Malaysia, Singapore, China, and Taiwan. In general, U.S. companies find greater success in the high-end commercial and residential market, including foreign invested enterprises, since they are much less price-sensitive and prefer brand name recognition and quality of American safety and security equipment and services.

Resources

For further information, please contact the following persons:

- Ms. Ngo Minh Phuong, Commercial Assistant
US Commercial Service Hanoi - US Embassy
E-mail: Ngo.Phuong@mail.doc.gov
- Ms. Vo Mac Thuy, Commercial Specialist
US Commercial Service Ho Chi Minh City - US Consulate
E-mail: Vo.Thuy@mail.doc.gov

IV. Trade Events

Trade events, such as trade shows, trade missions and catalog shows, offer excellent opportunities for face-to-face interaction with foreign buyers and distributors. Of the many U.S. and international events held throughout the year, some are vertical (single industry theme) and some horizontal (many industries represented). The events organized or approved by the U.S. Department of Commerce can be especially useful for first-time or infrequent participants – they require less lead time to register and typically involve more handholding.

The Trade-Event Scheduling Web sites listed below allow selective searches for upcoming events by industry, location, type and date. They typically provide the event organizer, event descriptions and costs, and people to contact for more information. To find upcoming events for U.S. Security and Safety Equipment use industry search terms relating to security, safety, or the like.

Schedules for U.S. Government Organized or Sponsored Events

Domestic USOC Events: http://www.export.gov/comm_svc/us_event_search.html

International USOC Events: http://www.export.gov/comm_svc/us_event_search.html

USA (food & agriculture) Events:

<http://www.fas.usa.gov/scripts/agexport/EventQuery.asp>

Schedules for Commercially Organized Events

TSNN (<http://www.tsn.com/>)

ExpoWorldNet (<http://www.expoworld.net/>)

Exhibition Center - Foreign Trade Online (<http://www.foreign-trade.com/exhibit.htm>)

V. Available Market Research

Security and Safety Equipment

The reports listed below provide more detailed information about the market for **Security and Safety Equipment** in the listed countries, such as demand trends, the competition, business practices, distribution channels, promotional opportunities, and trade barriers. These market research reports are written by resident U.S. commercial staff in each country.

CENTER FOR INTERNATIONAL TRADE DEVELOPMENT

13430 Hawthorne Blvd, Hawthorne, California 90250 USA

Phone: (310) 973-3173 Fax: (310) 973-3132 E-mail: mkogon@elcamino.edu

Safety & Security Market Brief 2008	Austria	05/02/2008
Safety and Security Brief	Austria	09/04/2007
Bulletproof Vests	Brazil	02/26/2007
Security Canada Central – Opportunities for U.S. Suppliers of IT Security	Canada	06/12/2008
The Defense Market	Canada	12/14/2007
Public Transit Security Needs in Canada	Canada	08/14/2007
Security for Maritime & Port	Canada	08/14/2006
Electronic Security Market	Ecuador	09/29/2006
Opportunities for Landmine Clearing	Egypt	02/20/2008
Security and Safety Equipment Sector	Georgia	02/13/2008
Safety/Security Market in Greece	Greece	05/06/2008
Surveillance Equipment	India	12/09/2007
Fire Security Equipment	India	06/05/2006
Safety and Security Equipment	Indonesia	04/28/2008
Safety and Security Industries Market Brief	Italy	03/14/2008
Palermo Port Security Plan	Italy	02/19/2008
Security on Mass Transportation	Japan	03/30/2007
Port Security	Japan	12/21/2006
Security Infrastructure Overview for Kuwait	Kuwait	03/21/2007
Malaysia's Safety & Security Equipment Market	Malaysia	07/09/2007
Airport Security Equipment	Netherlands	05/09/2008
Seaport Security Equipment	Netherlands	08/30/2007
Trends in the Safety and Security Market	Norway	02/02/2008
Trends in the Safety and Security Market	Norway	02/02/2008
Security and Safety Equipment	Panama	03/29/2006
Security & Safety Equipment	Peru	06/14/2006
Safety and Security Industry	Philippines	07/16/2007
Safety and Security Market in Poland	Poland	06/13/2007
Roadmap for Importing Encrypted Products	Russia	07/09/2008

Briefer on the Security & Safety Equipment Market and Related Exhibit	Russia	01/05/2007
Security Hardware and Systems Market	Singapore	09/25/2007
Security/Safety Industry	Slovakia	06/14/2006
Safety and Security Equipment Market 2008	Switzerland	04/02/2008
Access Control/Biometrics Market	Switzerland	03/12/2007
Turkish Safety & Security Equipment & Service Market	Turkey	03/01/2007
Great Opportunity to Enter Ukraine's Market for Security Products and Solutions	Ukraine	07/24/2008
Safety and Security Equipment Market	Ukraine	04/18/2008
Safety and Security Equipment Market	Ukraine	03/05/2008
The Market for Personal Protective Equipment	United Kingdom	01/11/2008
The UK Airport Security Market	United Kingdom	05/28/2006

VI. APPENDIX

Products in Security and Safety Equipment, by Schedule B Code

HS 8531: 29 Items

Schedule B Code	Description
853110	ALARM SYSTEMS, BURGLAR, ELECTRIC OR ELECTRONIC
853110	BURGLAR ALARMS
853110	COMBUSTIBLE AND TOXIC GAS OR VAPOR INDICATOR ALARM SYSTEMS, SOUND TYPE
853110	FIRE ALARM BOXES
853110	FIRE DETECTORS, AUTOMATIC, ELECTRIC
853110	SMOKE DETECTORS (NOT INCORPORATING RADIOACTIVE ELEMENTS. (SEE 9022))
853110	TEMPERATURE LIMIT ALARMS
853110	WARNING DEVICES, ELECTRIC, PANEL LIGHTS
853120	ELECTRIC LUMINESCENT LAMP PANELS
853110	INDICATOR PANELS DISPLAYING LED OR LCD CHARACTERS
853110	INDICATORS, PANEL LIGHT, ENGINE FAILURE, ELECTRIC OR ELECTRONIC
853110	LIGHT EMITTING DIODE DISPLAY PANELS
853110	PANELS INDICATOR, VISUAL, ALL TYPES OF LIGHT SOURCES
853110	PANELS, DISPLAY, LED OR LCD, ELECTRONIC
853180	AIR-RAID SIRENS
853180	BELLS, ELECTRIC
853180	BUZZERS, ELECTRIC
853180	CHIMES, DOOR, ELECTRIC
853180	FOG HORNS, ELECTRIC OR ELECTRONIC
853180	FOG WARNING APPARATUS
853180	GONGS, ELECTRIC
853180	HORNS, AIR, ELECTRIC, EXCEPT MOTOR VEHICLE
853180	HORNS, FOG, ELECTRIC
853180	MARINE MARKERS, ELECTRIC, SOUND
853180	METAL DETECTORS
853180	SIRENS, AIR RAID, ELECTRIC OR ELECTRONIC
853180	SIRENS, FACTORY, EXCEPT BURGLAR OR FIRE ALARMS, ELECTRIC
853190	ALARM AND SIGNALING DEVICE PARTS
853190	INDICATOR PANEL PARTS