



AEO Development in Latin America and the Caribbean: A Donors Perspective

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Inter-American Development Bank

- Major leading Regional Development Bank for Latin America and the Caribbean (LAC)
- 26 regional member countries and 22 non borrowing countries
- Annual lending capacity: \$12 billion
- \$450 million in grants per year
- IDB's goals: economic and social development of LAC



Why does IDB support AEO programs?

- **International Trade Environment**
 - Time is money
 - Cumbersome procedures

- **AEO and International Trade Arena**
 - Government:
 - Optimize use of human and technical resources
 - Know more to look less
 - Private sector:
 - Control supply chain
 - Differentiation

How does IDB support AEO programs?

- **Programs don't grow, people do**
- **Capacity building:**
 - IDB as a catalyst and platform
 - Continued support (30+ activities)
 - Mentors
 - Observation of audit and validations
 - Online training
- **Partnerships**
 - WCO
 - Canada, China, Holland, Korea, Japan, Spain, UK, US
- **Regional Strategy**

AEO Challenges in Latin America & Caribbean

- **Reluctance to change**
 - Emphasis on revenue collection
- **Limited financial, human, technical resources**
- **Lack of trust between private sector and customs/govt**
- **Volatility**

RESULTS

- **9 AEO programs implemented**
 - Argentina, Guatemala, Costa Rica, Colombia, Mexico, Dominican Republic, Peru, Panama, Uruguay
- **7 countries in design phase**
- **400 AEO certified companies**
- **Regional Strategy**
- **1 MRA: Mexico-Korea**
- **Network of AEO experts**

AEO Lessons learned

- **Political support**
- **Sell the vision, not just the program**
- **Collaboration, collaboration, collaboration:**
 - Collaboration with private sector
 - Mentors
 - Regional approach
 - Donors involvement
- **A little humility goes a long way**
- **Aim for progress, not perfection**
- **Identify ideal customers**

Thank you

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