

Ecuador Trade Outlook - 2010



Connecting U.S. businesses to a world of opportunity.

Eric Olson
Senior Commercial Officer
U.S. Embassy, Quito



Agenda



- Economy Overview
- U.S. Trade with Ecuador
- Best Prospects
- SWOT for Ecuador
- Doing Business in Ecuador



Country Background



- Stats
 - Geographical size of Colorado
 - Population of 14 million
 - Home of the Galápagos Islands
- Politics
 - President Rafael Correa
 - Citizens' Revolution

Economy Overview

- Agricultural and oil economy
 - Oil is the largest Ecuadorian export, followed by cut flowers, bananas, and shrimp.
- World's 65th-largest economy (2009*)
- Ecuador's global trade surpassed \$27.8 billion in 2009

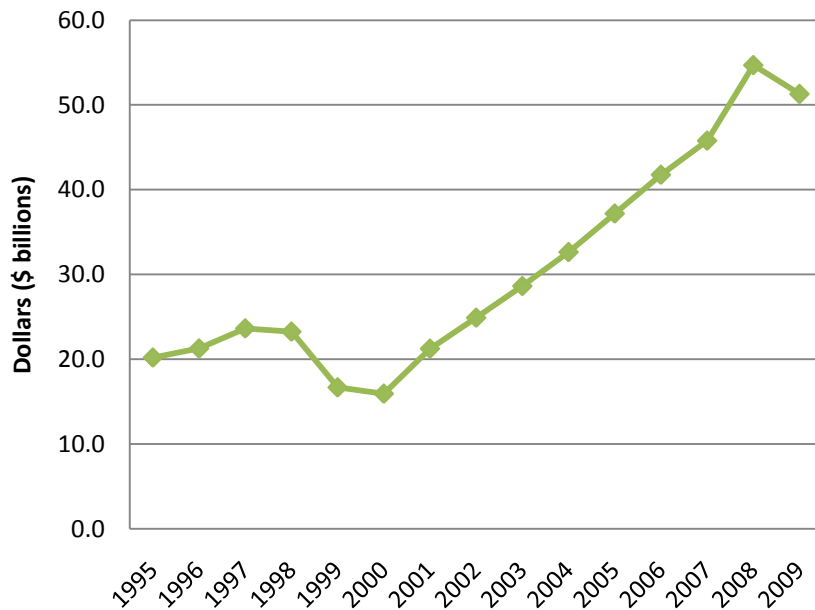


Economy Overview

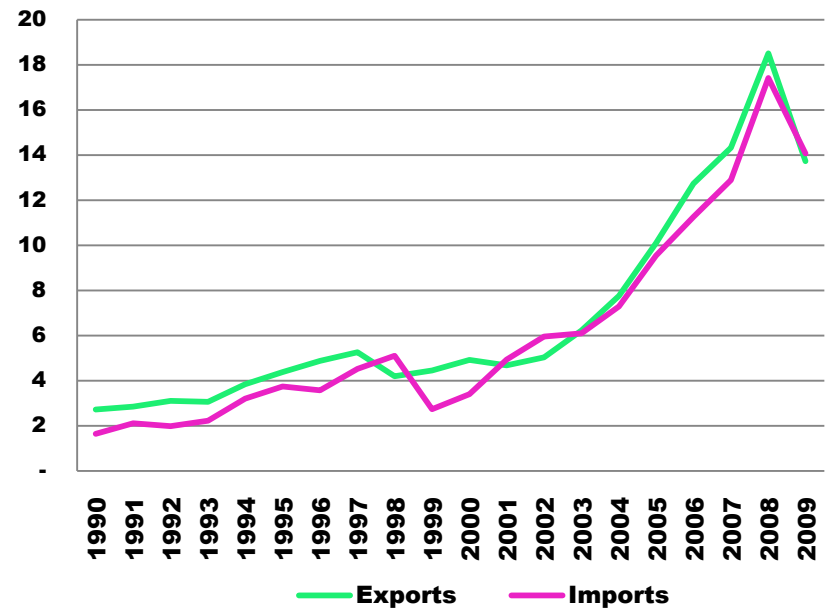
- GDP 2009: \$51.39 billion
- GDP growth (2009): 0.94%
- Expected GDP growth (2010): 6.81%
- GDP per capita (2009): \$3,669

- Total Imports 2009: \$14.07 billion
- Total Exports 2009: \$13.72 billion

GDP (\$ billions)



Ecuador Total Trade (\$ billions)

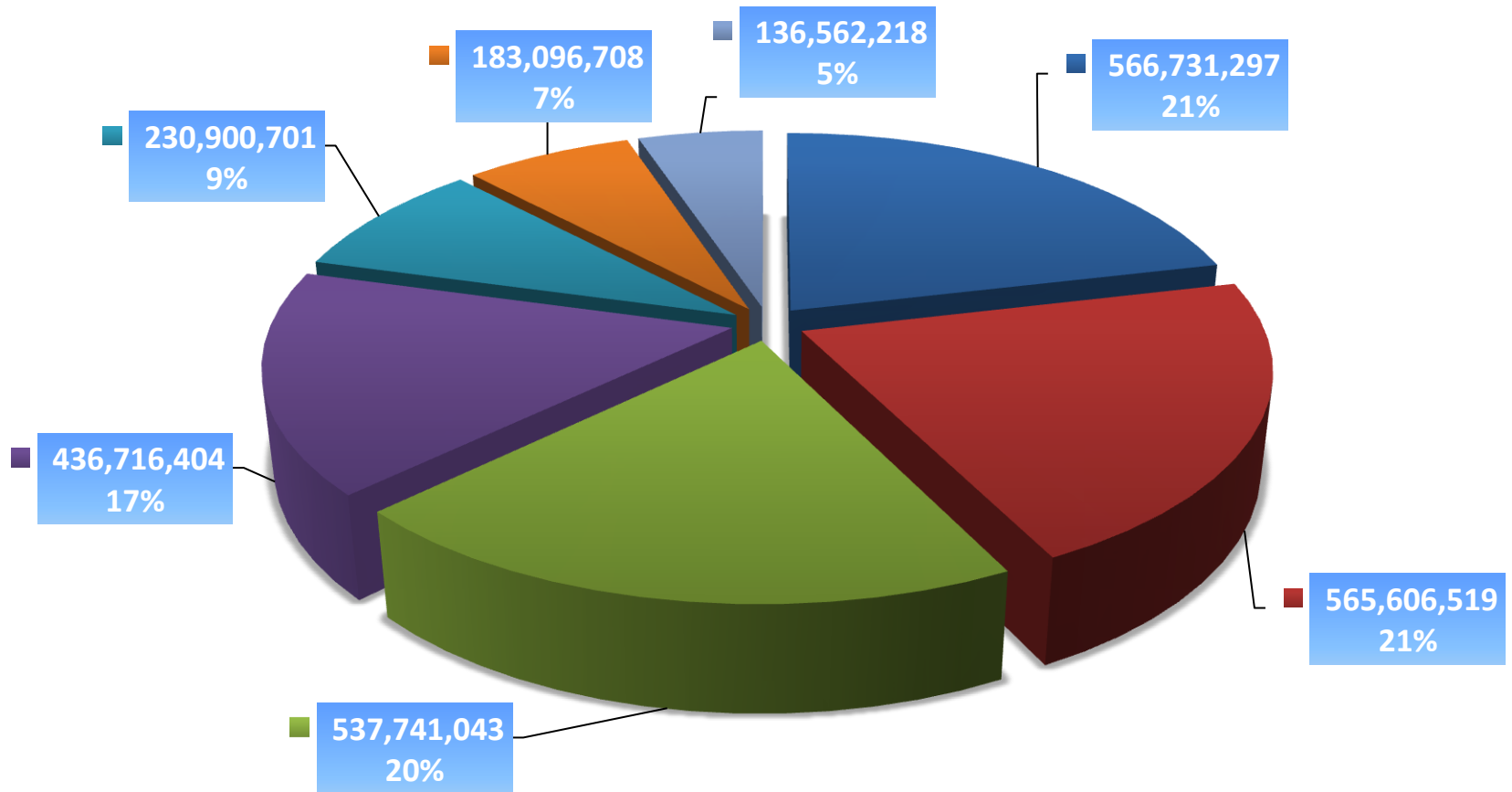


U.S. Trade with Ecuador

- Ecuador is the United States' 41st-largest export market (2009)
- \$3.53 billion (2009) in exports to Ecuador
 - 25.4% of Ecuador's total imports
- \$4.56 billion (2009) in imports from Ecuador
 - 0.29% of the U.S.'s total imports
 - 33.2% of Ecuador's total exports
- U.S. is Ecuador's largest trading partner
- Ecuador is an ATPDEA beneficiary



U.S. Trade with Ecuador

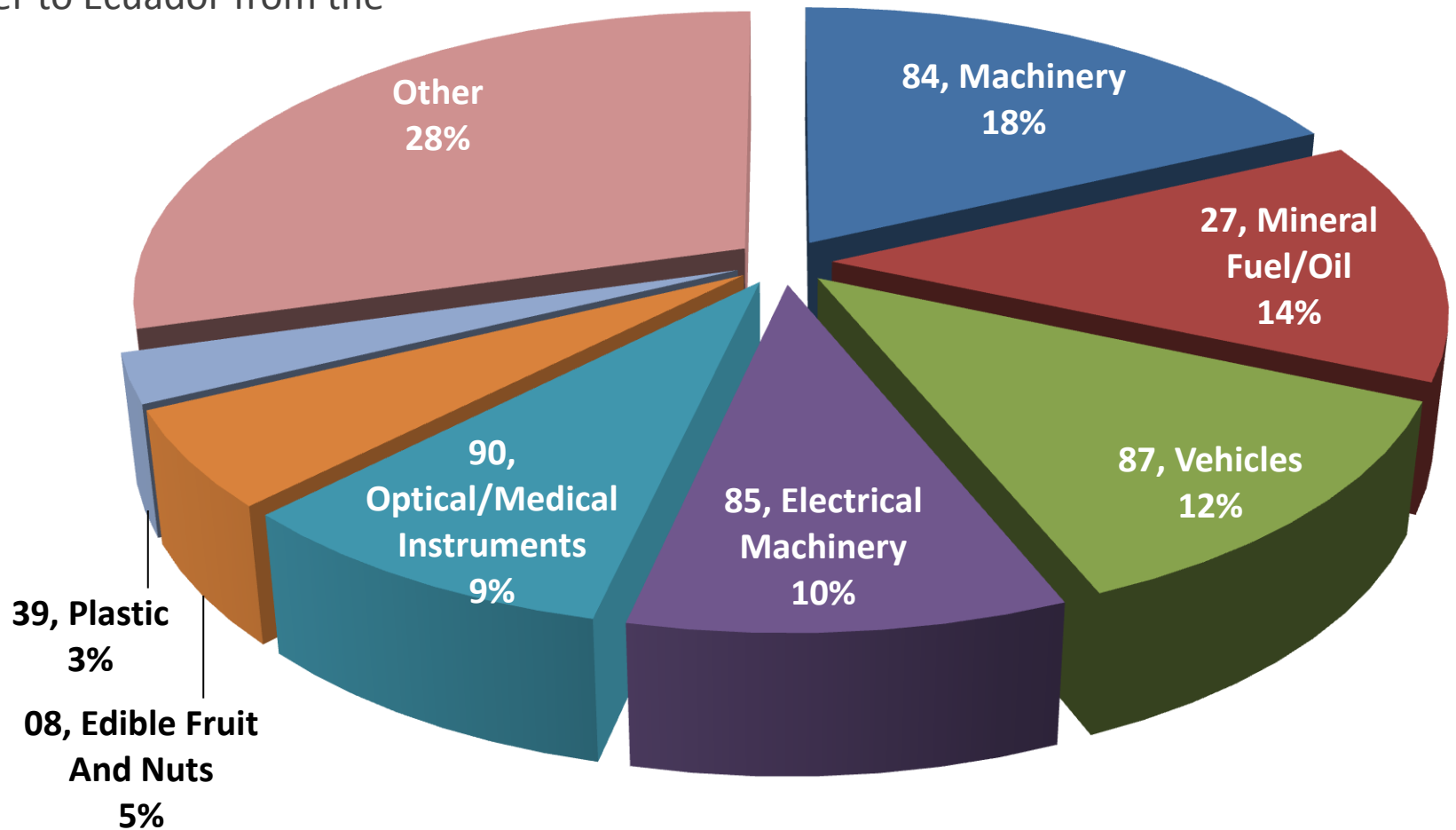


- 333--MACHINERY; EXCEPT ELECTRICAL
- 325--CHEMICALS
- 334--COMPUTER AND ELECTRONIC PRODUCTS
- 324--PETROLEUM & COAL PRODUCTS
- 336--TRANSPORTATION EQUIPMENT
- 322--PAPER
- 11--AGRICULTURE AND LIVESTOCK PRODUCTS

*2008

California Exports to Ecuador by two-digit HS Code (2009)

*California is the 2nd largest exporter to Ecuador from the U.S.



Best Prospects

Best prospects for U.S. exports to Ecuador include:

- Printing and Graphic Arts
- Plastics Machinery, Materials, and Resins
- Decontamination Equipment
- Fertilizers

In addition, other good prospects include:

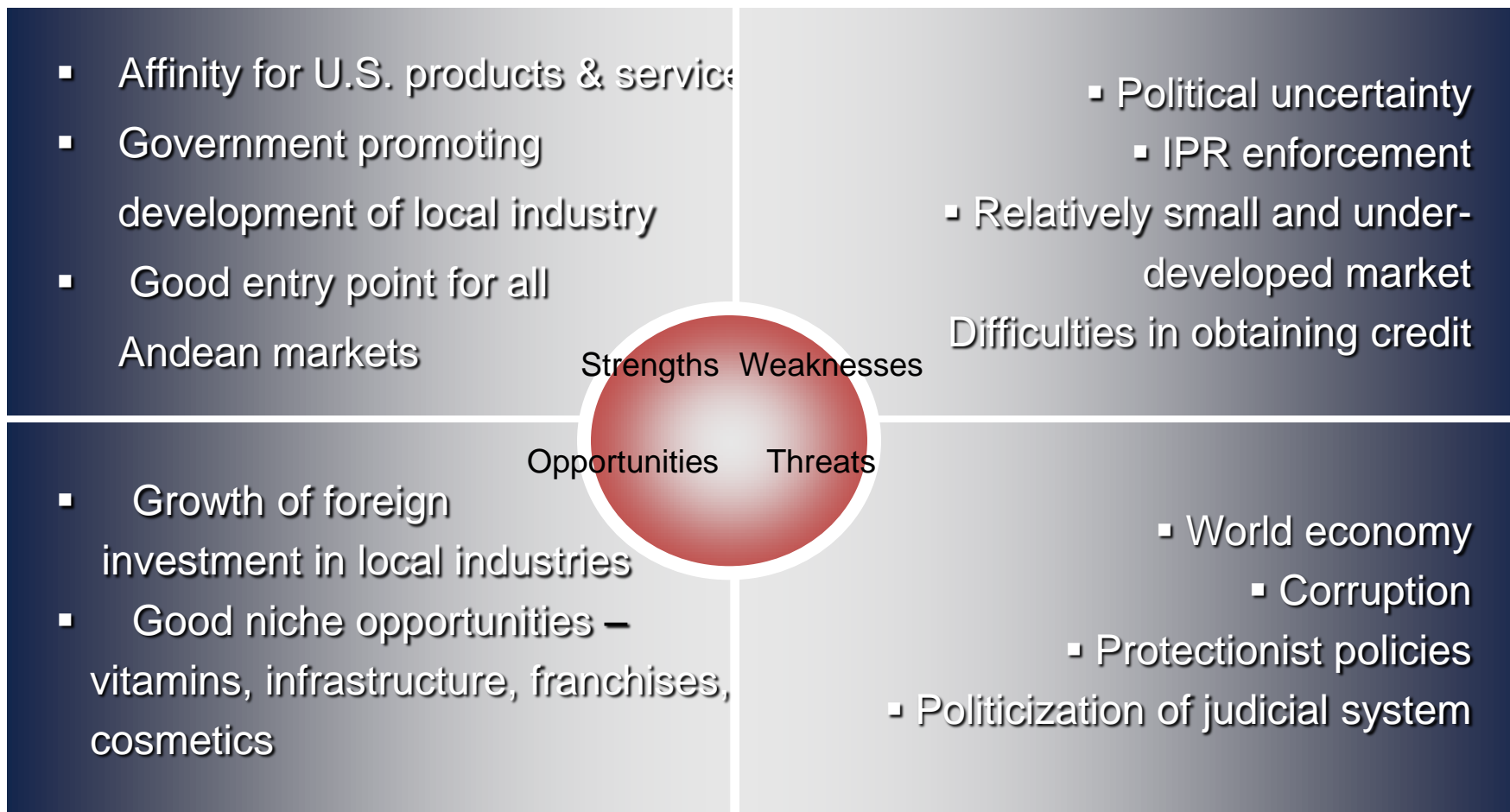
- Automotive Parts and Accessories
- Cosmetics
- Education and Training Services
- Medical Equipment and Devices
- Franchises

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<http://www.buyusa.gov/ecuador/en/>



SWOT on Ecuador



Doing Business in Ecuador

1. Always have a formal introduction; don't forget business cards.
2. Do your best to speak Spanish in meetings.
3. Invest in building relationships.
4. Appreciate the value of long-term loyalty.
5. Entertain and be entertained.
6. Perform adequate market research.
7. Be open to a different cultural perspective.
8. Protect your Intellectual Property Rights.



Doing Business in Ecuador

9. Appoint a qualified distributor. Do not appoint an exclusive distributor.
10. Have a local lawyer review your contracts.
11. Include an arbitration clause in your contracts.



Gracias!

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