

Introduction

Ecuador is a country in South America bordered by Colombia, Peru, and the Pacific Ocean. The country also includes the Galapagos Islands in the Pacific west of the mainland. Ecuador has a tropical and mountainous terrain and hosts the highest active volcano in the world. The government system is a republic; the chief of state and head of government is the president. Ecuador has a mixed economic system, which includes a variety of private freedoms combined with centralized economic planning and government regulation. Ecuador is a member of the Andean Community (ANCOM).



Location: South America

Capital City: Quito (-5 GMT)

Chief of State: President Guillermo Lasso Mendoza

Head of Govt.: President Guillermo Lasso Mendoza

Currency: US dollar (USD)

Major Languages: Spanish (Castilian) 93% (official), Quechua 4.1%, other indigenous 0.7%, foreign 2.2%; note - (Quechua and Shuar are official languages of intercultural relations; other indigenous languages are in official use by indigenous peoples in the areas they inhabit) (2010 est.)

Primary Religions: Roman Catholic 68.8%, Evangelical 15.4%, Adventist 1.2%, Jehovah's Witness 1%, other 1.3%, agnostic or atheist 1.4%, none 10.1%, don't know/no response 1% (2020 est.)

Calling Code: 593

Voltage: 120-127

Key Websites

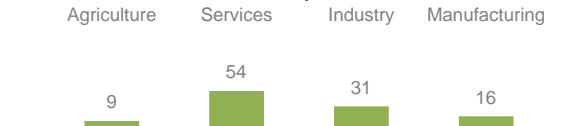
Main Government Page: presidencia.gob.ec

Commerce Ministry: gob.mx

Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$230.81 billion (2022)
GDP growth (annual %):	2.95% (2022)
GDP per capita, PPP (current international \$):	\$12,822.11 (2022)
External debt stocks, total (DOD, current US\$):	\$58,259,441,212.90 (2021)
Manufacturing, value added (% of GDP):	16.35% (2022)
Current account balance (BoP, current US\$):	\$2.71 billion (2022)
Inflation, consumer prices (annual %):	3.47% (2022)
Labor force, total:	8,878,712 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	3.96% (2022)
Imports of goods and services (current US\$):	\$32.81 billion (2022)
Exports of goods and services (current US\$):	\$33.56 billion (2022)

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

Index	Rank
Corruption Perceptions Index	104 / 178
EY Globalization Index	49 / 60
Global Competitiveness Index	90 / 141
Global Enabling Trade Index	81 / 136
Index of Economic Freedom	119 / 176
International Logistics Performance Index (LPI)	62 / 160
Inward FDI Potential Index	99 / 139
KOF Index of Globalization	103 / 185
Networked Readiness Index (NRI)	82 / 139
Open Budget Index	54 / 114

Risk Assessment (Provided by Coface)

Country rating: C - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

Business Climate rating: B - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

Strengths

- Significant mineral potential (copper, gold, etc.), oil and gas
- Tourism potential (flora, fauna, heritage)
- Climate diversity allowing for many crops
- Marine resources: number one exporter of shrimp and prawns
- Relatively low inflationary risk due to full dollarization

Weaknesses

- Oil-dependent economy
- High seismic risk: volcanic eruptions
- Competitiveness subject to changes in the dollar owing to full dollarization
- Largely informal economy and low qualification of the workforce
- History of sovereign default
- Deficient business environment: corruption, opaque public procurement, interventionism
- Weak domestic and foreign private investment
- Ecuador is a transit point for drugs on route to the US and Europe, which is a cause of violence and gang activity

U.S. Embassy

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