



*Republic  
of Opportunities*  
**ECUADOR**

A world map showing the continents in a light gray color. The country of Ecuador is highlighted in a bright yellow color. It is located in the northwestern part of South America. The map also shows the surrounding oceans and other continents like North America, Europe, Africa, and Asia.

Ecuador is a country in  
northwestern South America,  
bordered by Colombia on the  
north, Peru on the east and south,  
and the Pacific Ocean to the west.

Ecuador also includes the Galapagos  
Islands in the Pacific, about 1.000  
kilometers west of the mainland.

# ECUADOR

The center of great opportunities

 **Capital:** Quito

 **Business Languages:** Spanish (official) & English

 **Area:** 257,217 Sq Km

 **Time Zone:** GMT -5 hours

 **Currency:** US Dollar

 **Population:** 17.2 M approx.

 **GDP:** USD 108,398 M

**Basic Salary:** USD 394

M = million





**Island Region: 7,844 km<sup>2</sup>**

**Territorial Sea: 5.3 times continental territory**

**Regions:** Coast, Andean, Amazon and Galapagos Island



# ECONOMIC OUTLOOK



**7.3%** GDP average growth  
between 2007-2017



**0.27%** inflation rate in 2018

**3.7%** unemployment rate in  
2018

**12%** Valued Added Tax (VAT)

# INFRASTRUCTURE



Highway  
system



**USD 374 million**

4 international airports:  
Guayaquil, Quito, Latacunga  
and Manta.

Airports and  
Shipping Ports



**USD 374 million**

Port infrastructure



**USD 9,955 million**

Public investment in roads  
network. 9,997.90 km of new  
highways

A person in a dark suit is holding a laptop. The laptop screen displays a digital network of white silhouettes of people connected by lines. The background is a blue-tinted image of a globe with various icons representing social networks and connectivity.

# CONNECTIVITY

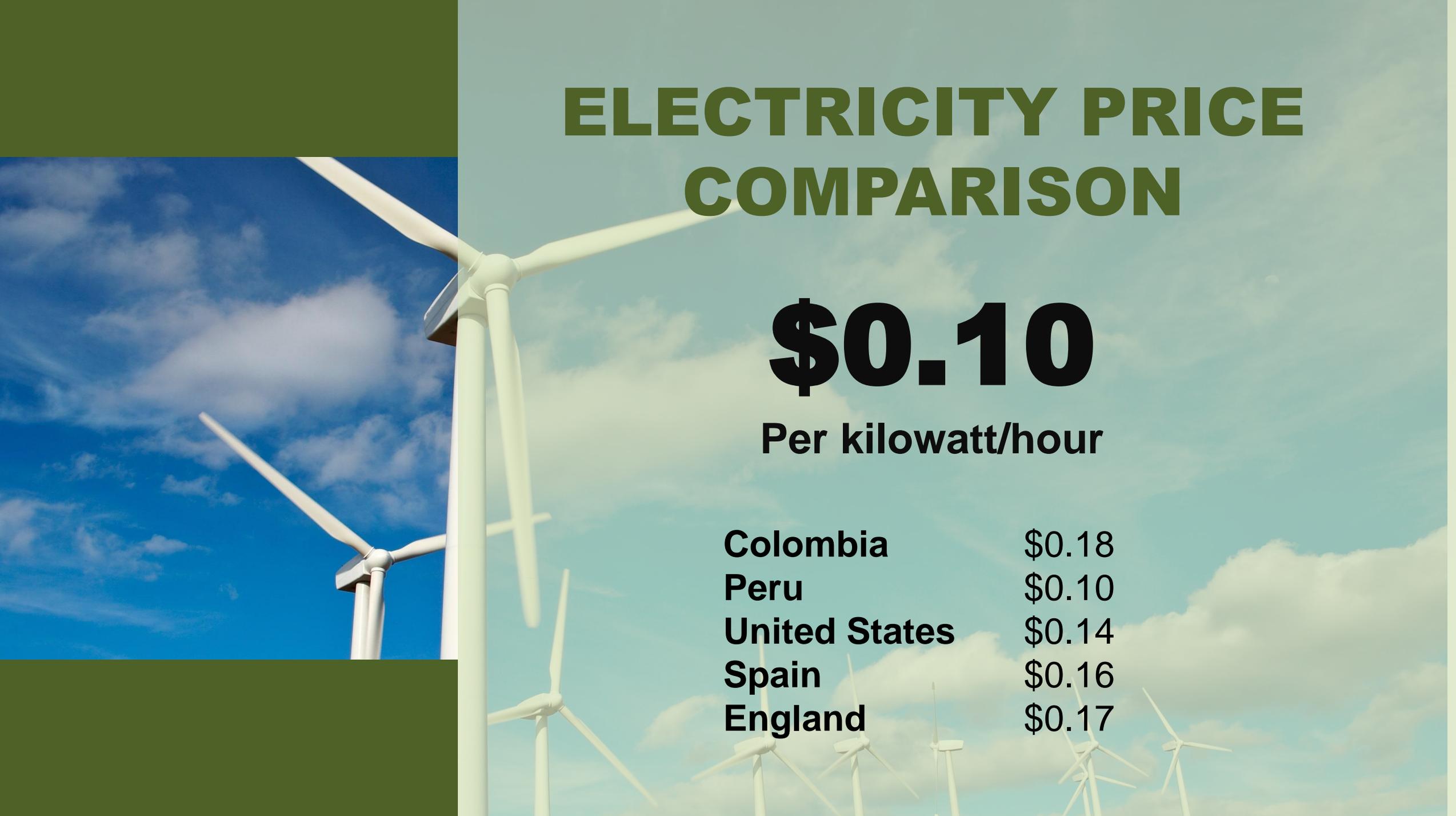
**FIBER OPTIC BROAD-BAND  
COVERAGE**

**140,000 km**

**Renewable Energy**

**USD 5,000 million**

**investment in 8 hydroelectric  
projects and 1 wind energy project**



# **ELECTRICITY PRICE COMPARISON**

# **\$0.10**

**Per kilowatt/hour**

<b>Colombia</b>	<b>\$0.18</b>
<b>Peru</b>	<b>\$0.10</b>
<b>United States</b>	<b>\$0.14</b>
<b>Spain</b>	<b>\$0.16</b>
<b>England</b>	<b>\$0.17</b>

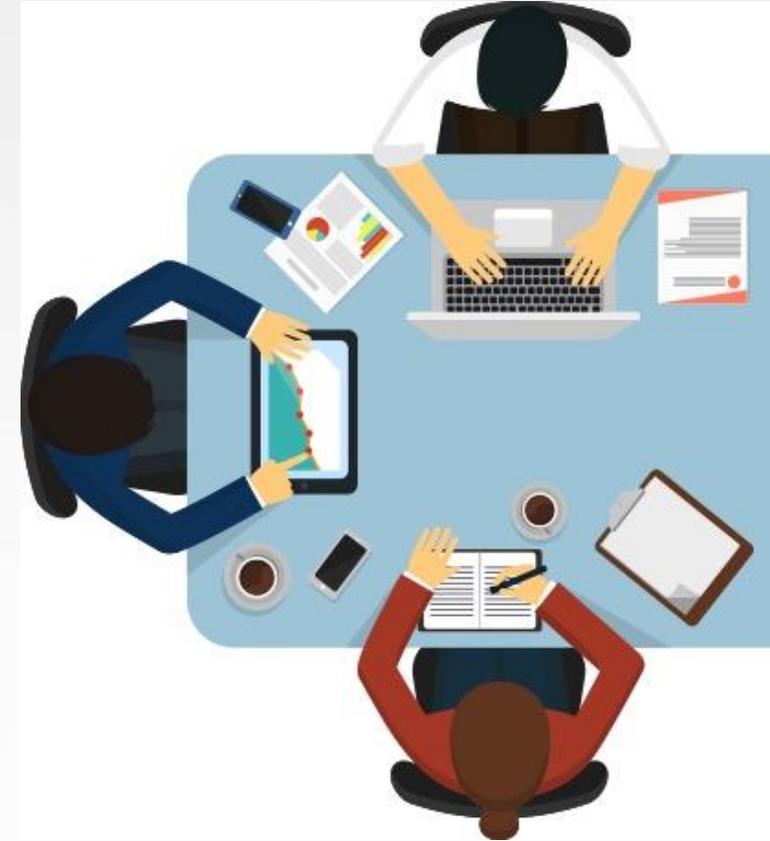
# **REGULATORY LAW FOR INVESTMENTS**

## **TAX INCENTIVES FOR NEW INVESTMENTS**

**2018, 21<sup>st</sup> August : Law for Productive Development, Investment Attraction, Employment and Stability Generation and Fiscal Equilibrium**

# GENERAL TAX INCENTIVES – INCOME TAX

- **25%** for companies established or domiciled in the country.
- **22%** for micro and small companies.



# GENERAL TAX INCENTIVES – VALUE ADDED TAX



Electric vehicles for private use, public transport or cargo



Batteries, chargers, chargers for electric stations, for hybrid and electric vehicles



Raw materials and inputs imported or purchased in the domestic market for the agricultural, aquaculture and fishing sectors



Machinery, parts and pieces of agricultural, aquatic and fishing use



Solar panels and plants for wastewater treatment



New shipyard construction fishing boats



Services of construction of housing of social interest in projects qualified by Ecuador's Ministry of Housing



Land rental for agricultural use

0% VAT

# SECTORIAL TAX INCENTIVES - PRIORITY SECTORS

To generate added Value



Petrochemistry and oleochemistry



Agricultural sector; production of fresh, frozen, and industrialized foods



Agroforestry chain and processed products



Biotechnology and applied software



Foreign trade logistics services



Metalworking



Renewable Energy



Tourism, cinematography and audiovisuals; and, international events



Pharmaceutical



Export of services



Development and software services, production and development of technological hardware, digital infrastructure, computer security, products and digital content, and online services



Energy efficiency.- Energy efficiency services companies



Industries of materials and sustainable construction technologies



Industrial, agro-industrial and agro-social

# SECTORIAL TAX INCENTIVES - PRIORITY SECTORS

To substitute imports



Radios, TVs and mobile phones



Chemical products



Ceramic products



Garments and textiles



Leather footwear



Home appliances



Basic chemical substances



Pesticides and agricultural products



Soaps, detergents, perfumes and toilet preparations



Cement products

# SECTORIAL TAX INCENTIVES - PRIORITY SECTORS

## New productive investments

Located within Quito  
and Guayaquil

Income tax exemption for

**8 years.**

Located outside Quito  
and Guayaquil

Income tax exemption for

**12 years.**

Located within border  
cities

Income tax exemption for

**15 years.**

Counting from the first year in which revenues are generated  
attributable to the new investment

# SECTORIAL TAX INCENTIVES - PRIORITY SECTORS

## Tourism

- Income tax exemption from 20 years – 25 years (Manabí and Esmeraldas provinces) for tourism investment projects.



# SECTORIAL TAX INCENTIVES - PRIORITY SECTORS

## BASIC INDUSTRIES

Income tax exemption for 15 years for new investments in Basic Industries.

Income tax exemption for 20 years (for investments in Ecuador's border areas)



Iron and steel industry



Copper  
Aluminum



Shipyards



Cellulose



Petrochemical

# ECUADOR'S EXPORTABLE SUPPLY AND BUSINESS OPPORTUNITIES

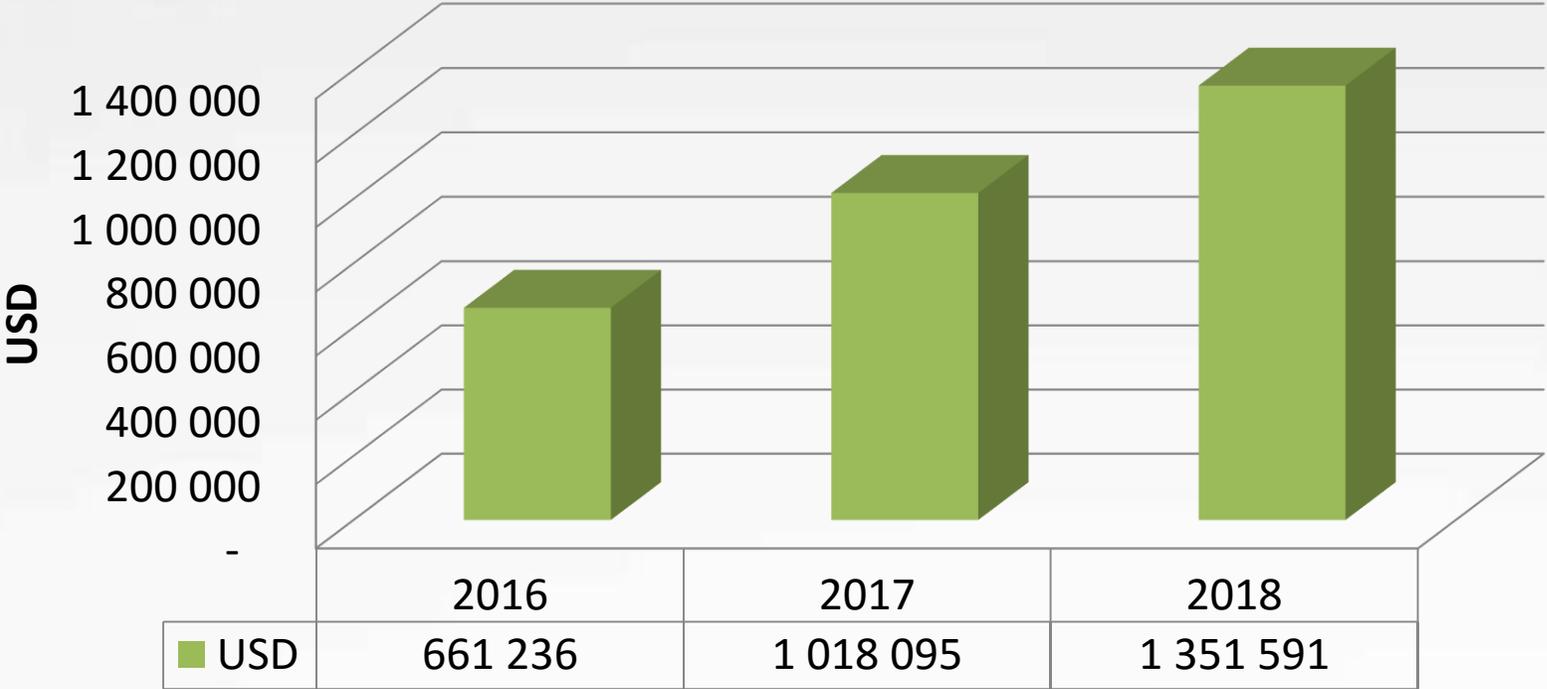


## Ecuador Trade Balance 2018 (USD Million)

Exports	Oil exports	8,973
	Non Oil exports (Shrimps, banana, roses, canned tuna, cocoa beans)	12,824
<b>Total Exports</b>		<b>21,797</b>
<b>Total Imports</b>	<b>(capital goods, technological goods)</b>	<b>22,305</b>
<b>Trade Balance</b>		<b>- 508</b>

Source: Central Bank of Ecuador

# ECUADORIAN EXPORTS TO HUNGARY 2016-218



Source: Central Bank of Ecuador

<b>ECUADORIAN EXPORTS TO HUNGARY IN 2018</b>		
<b>PRODUCTS</b>	<b>USD</b>	<b>% PARTICIPATION</b>
PRESERVED-CANNED TUNA FISH	947,620	70.11%
FLOWERS (ROSES, GYPSOPHILAS)	395,540	29.26%
OTHERS TEXTILES, WOOL, CLOTHING ITEMS	6,000	0.44%
COCOA BEANS	2,430	0.18%
<b>TOTAL</b>	<b>1,351,590</b>	<b>100.00%</b>

<b>ECUADOR'S IMPORTS FROM HUNGARY IN 2018 (USD)</b>	
VEHICLES	15,101,240
CHEMICAL PREPARTIONS	1,142,040
MEDICAL GOODS	526,800
MEDICAMENTS	313,000
PESTICIDES	218,420
OTHERS	3,438,090
<b>TOTAL</b>	<b>20,739,590</b>

Source: Central Bank of Ecuador

Ecuador is the world's second largest exporter of preserved tuna fish, after Thailand.

Main tuna species captured are skipjack, big eye and yellowfin.

Production: 500,000 tons of processed tuna yearly.



**THE BEST OF ECUADOR**

**CANNED TUNA**

SCIENTIFIC NAME: YELLOW FIN TUNA (THUNNUS ALBACARES)  
BIG EYE TUNA (THUNNUS OBESUS) Y ATÚN BARRILETE LISTADO  
O BONITO (KATSUWONUS PELAMIS)

HARMONIZED SYSTEM CODE: 160414 / 160420

In Ecuador, the tuna industry was born more than 70 years ago and is characterized by the fact that much of its raw material is captured by 100% Ecuadorian fleet, which is considered the second largest in the EPO - Eastern Pacific Ocean. As differentiating characteristics we have the non use of raw material from illegal fishing and traceability of the product in capture operations.

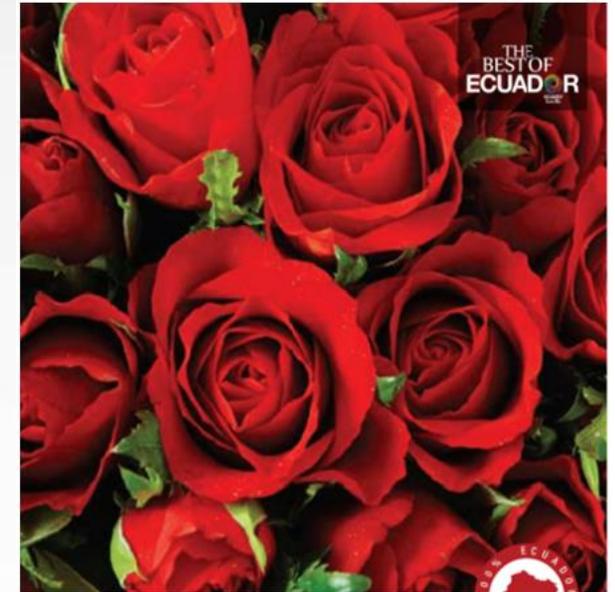
**PRO ECUADOR**  
Business without borders

Ecuador has around 4,200 hectares of flower crops.

75% of Ecuador's total flowers production are roses (400 varieties).

Roses crops are located over the 2,000 meters above sea level, with optimal sun light conditions and stable temperatures, which permits rose production throughout the year.

In 2017, Ecuadorian roses exports reached USD 890 million. Main market destinations: USA, Russia, Netherlands.



**THE BEST OF ECUADOR**

**ROSES**

SCIENTIFIC NAME: ROSE  
HARMONIZED SYSTEM CODE: 0603110000

There are a large number of varieties of rose cultivars (over 400 existing in Ecuador). The Roses are among the most common flowers sold by florists in the world; therefore in Ecuador 75% of the total production of flowers are Roses.

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Fine Flavour cocoa beans or Arriba Cocoa beans.

The geographical conditions and biological richness in Ecuador has contributed to consider our country as the major Fine Flavour producer with 65% of the worldwide production.

The cocoa bean is the raw material for processing cocoa products such as: liquor, butter, cake and powder, as well as many varieties of chocolate.

## COCOA BEANS

SCIENTIFIC NAME: THEOBROMA CACAO

HARMONIZED SYSTEM CODE: 1801001990

ORGANIC HARMONIZED SYSTEM CODE:  
1801001910

Cocoa beans originally come from tropical regions in America. In Ecuador, the first plantations of this fruit had been found in the foothills of the Andes, in the Amazon. Thanks to the different weather conditions, a genetic evolution took place several years ago, giving as a result a variety well known as Fine or Flavour cocoa beans or Arriba Cocoa beans, denomination only for Ecuadorian beans.



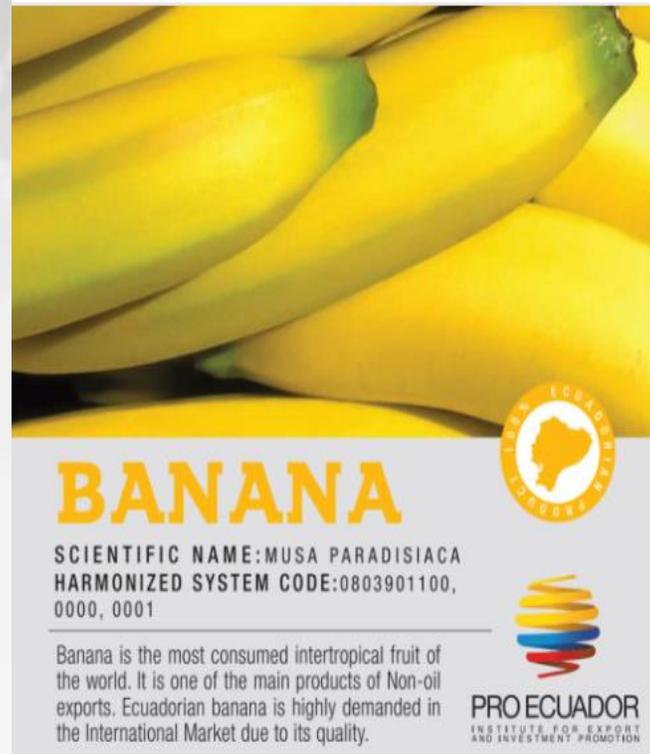
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# ECUADORIAN PRODUCTS WITH POTENTIAL TO HUNGARY



Ecuador has been one of the world's leaders in banana production and export over the decades.

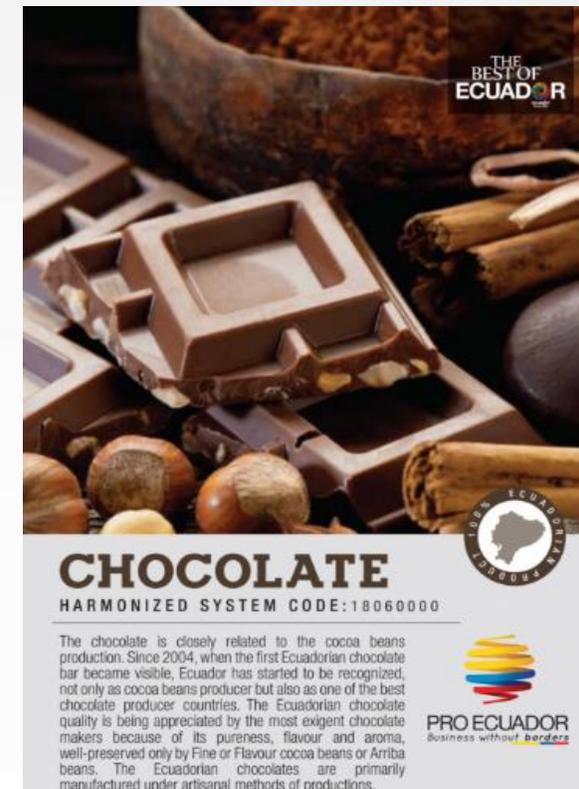
Ecuador produces approx. 1900 boxes of Bananas per hectare. In 2016, the sector exported an average of 6 million tons or USD 2,700 million.

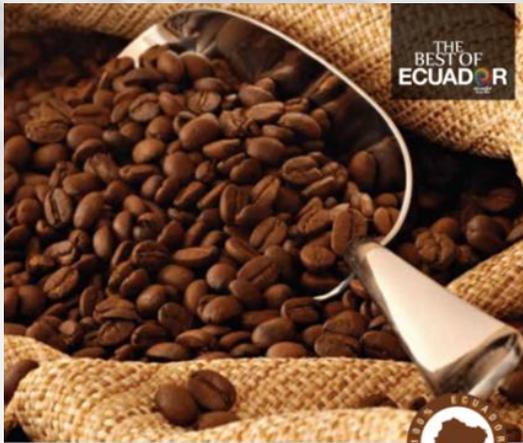


The Ecuadorian premium chocolate quality is being appreciated because of its pureness, flavour and aroma, well-preserved only by Fine Flavour cocoa beans or Arriba beans.

In 2017, Ecuadorian chocolate exports reached 1,728 tons or USD 23 million.

Main markets: USA, Europe.





THE BEST OF ECUADOR



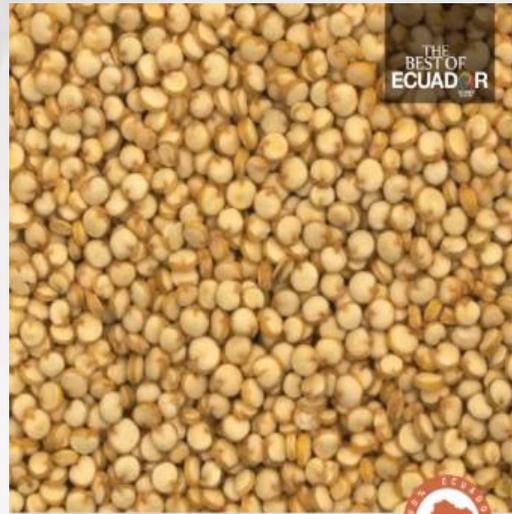
## ROASTED COFFEE

SCIENTIFIC NAME: COFFEA ARABICA (CAFETO ARÁBIGA)  
SCIENTIFIC NAME: COFFEA CANEPHORA (CAFETO ROBUSTA)  
HARMONIZED SYSTEM CODE: 0901212000 - 0901220000

The special aroma and flavor of roasted coffee originate from the caramelization of sugars and acids.

The Ecuadorian roasted coffee is processed in small batches that guarantee the quality control as well as an excellent aroma and flavor.

Thanks to the geographical conditions and varieties of coffee produced in the country, we can achieve different organoleptic profiles of coffees.



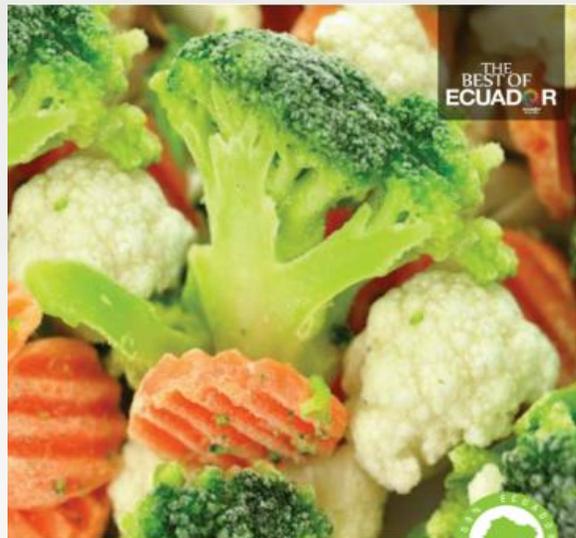
THE BEST OF ECUADOR



## QUINUA/QUINOA (SUPER FOODS)

SCIENTIFIC NAME: CHENOPODIUM QUINOA WILLO  
HARMONIZED SYSTEM CODE: 10085010, 10085090

In the world, the quinoa is valued as the only food of plant origin that has all the essential amino acids, trace elements and vitamins necessary for excellent nutrition. Quinoa in Ecuador, potentiates these characteristics, having an excellent quality due to its geographical location and distinctive golden color, so some experts call it "golden quinoa".



THE BEST OF ECUADOR



## IQF FROZEN BROCCOLI

HARMONIZED SYSTEM CODE: 0710809000; 0704100000

The Ecuadorian broccoli is highly coveted in the international market for its quality. The geographical location of Ecuador allow plantations receive plenty of sunshine during the day, making the product has a green color and a compact foil, which makes special cuts retaining a characteristic flavor.



## MANGO

SCIENTIFIC NAME: MANGIFERA INDICA  
HARMONIZED SYSTEM CODE: 0804502000

Known by Americans, Europeans and Japanese as the "apple of the tropics", the Ecuadorian mango stands out for having a unique tropical flavor and smell.



## e-Ecuador (Ecuador's Online Marketplace)

<http://www.e-ecuador.com/>

## CATALOGUE OF ECUADOR ORGANIC PRODUCTS SUPPLY

[https://drive.google.com/drive/folders/1\\_4nse3z062zeDWTr8xpsYeVpz2oWnzg3](https://drive.google.com/drive/folders/1_4nse3z062zeDWTr8xpsYeVpz2oWnzg3)

## ECUADOR'S INVESTMENT PROJECTS CATALOGUE

<http://investecuador.ec/>



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