



# COUNTRY SNAPSHOT: ECUADOR

Ecuador ranked 35th among U.S. food and agricultural export markets in 2020, with \$527.4 million in exports. Through 2021, exports increased over 16%, driven by Ecuadorian demand for U.S. bulk and intermediate products (e.g., wheat, soybean meal, and feed and fodder). The country is the 61st largest economy in the world and the 7th largest in Latin America. U.S. soybean meal exports have increased as the industry has taken advantage of price differentials versus South American origins and realizing value based on amino acids and nutritional advantage.

U.S. Soy has collaborated in Ecuador since the 1990s.

## COUNTRY STATS

**POPULATION (2022):**

**17.89 million**

**(Urbanization – 64.2% )**

**POPULATION (2050):**

**~23.99 million**

**GDP (2022):**

**USD 106.17 billion**

**AVG. ECONOMIC GROWTH**

**(2016-2021): -4.2%**

**PER CAPITA INCOME (2021):**

**USD 5,965.10**

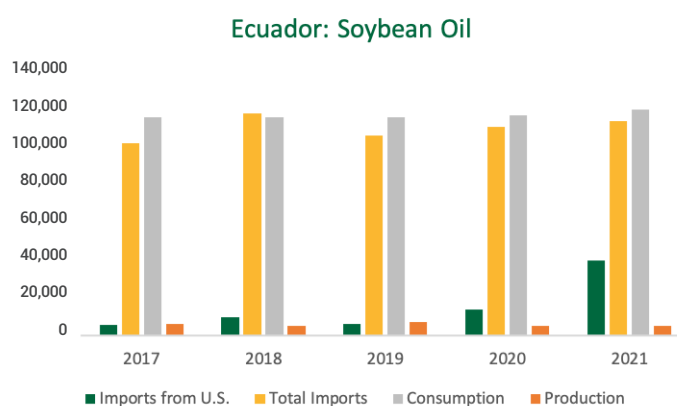
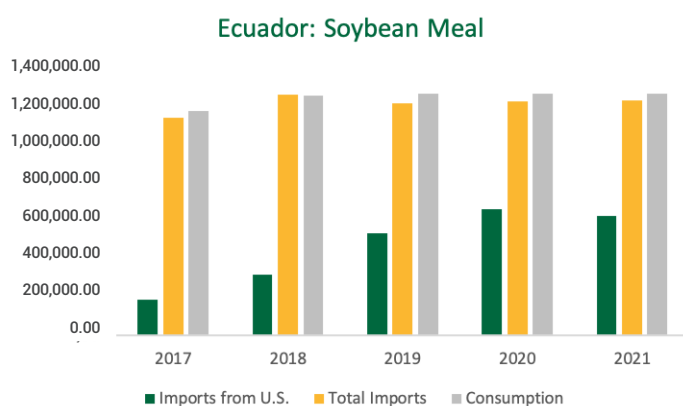
## MARKET STATS

Soy usage market size by Volume, 2021 (Est. growth by 2035/40)

|                               |           |   |         |
|-------------------------------|-----------|---|---------|
| <b>Animal Protein (total)</b> | 1,270,000 | <b>Aquaculture, Cattle, other species</b> | 319,800 |
| <b>Poultry</b>                | 799,500   | <b>Pork</b>                               | 110,700 |

## Soy market size by volume, U.S. Soy volume (MY2021/22)

- Soy complex (whole soybean, meal, oil) 2.05 MMT
- Whole Bean: 0.00 MT U.S. Soy 0.00 MT
- Soybean Meal: 1.91. MMT. U.S. Soy Soy market size by volume, U.S. Soy volume (MY2020/21)
- Soy complex (whole soybean, meal, oil) 2.05 MMT
- Whole Bean: 0.00 MT U.S. Soy 0.00 MT
- Soybean Meal: 1.91. MMT. U.S. Soy 0.82 MMT
- Soybean Oil: 146,198 MT. U.S. Soy 0.00 MT



Sources: U.S. Census Bureau Trade Data, FAS USDA GATS, Industry estimations

## STRENGTHS

- Competitive advantages of U.S. Soy quality and intrinsic values, amino acid profile, along with consistent supply and availability, creates preference amongst key industries and firms.
- Customers/importers would benefit from Free on Board (FOB) purchasing and from exploring alternate export positions in the U.S., such as the Pacific Northwest.
- Poultry and eggs are positioned as the preferred and most affordable animal protein. More firms continue to integrate both horizontally and vertically.
- Technical assistance with poultry and swine producers on enhanced formulation - based on amino acids, differentiation of U.S. Soy, and extrinsic and intrinsic values. These industries and aquaculture will benefit from ongoing growing SEC programs.
- Sustainability in feed for aquaculture and protein. Producers understand and value sustainability; two Sustainable U.S. Soy logo licenses are in place.
- Zero tariffs on U.S. soybean meal imports beginning in 2020 leveled the ground vs. competitors. A reduction in tariffs on soybean oil imports implemented late in 2021 helps level the playing field for U.S. imports into Ecuador.

## OPPORTUNITIES

- Scaling efforts can grow market by differentiating U.S. Soy vs. competitors by using data and technical resources targeting animal and aquaculture proteins producers and feed operations.
- Ecuador is the main aquaculture market for U.S. Soy in Latin America, namely shrimp. The industry has continued growing due to use of technology and productive efficiencies. In-Pond Raceway System (IPRS) technology, mainly from an increasing tilapia market will grow market.
- Trade and technical support from USSEC is welcomed and sought after by industry, leveraging differentiation and creating preference for U.S. Soy. Enhanced production practices in sought of sustainability. Hence, an increased appreciation of US Soy Sustainability and related resources – SSAP, SUSS.
- Largest growth observed in aquaculture with foreign investors increasing presence in feed for aquaculture.
- Potential new reductions in tariffs on soybean oil imports could lead to actual U.S. exports, which compete against domestic palm oil and from other origins. Could create opportunities with bottlers and refiners, and growing demand for hotels, restaurants and institutions.

## CHALLENGES

- Livestock markets are stable with growth but tied to population growth. Swine industry exposed to sanitary challenges. Industries unclear now with foreign investors, with large domestic players in turn investing abroad.
- Some animal protein (poultry, pork) imports are growing.
- Growing competition due to more availability and enhanced quality of South American origins like Brazil and Bolivia.
- Oil has not represented a significant market for U.S. exports. Directly exposed to dominant players from other origins (South American) and oils from throughout the region.
- Ecuador lacks crushing capacity. No room to expect significant exports. Domestic production represents about 5% of needs. In the shrimp industry, global price reductions, increase of production costs and reduced diesel subsidies have led to industry concentration.

Sources:  
 - Banco Mundial  
 - Macrotrends  
 - Population Pyramid  
 - USDA FAS  
 - World in Figures  
 - Industry estimates

2023

