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## **Ecuador**

### **Food Processing Ingredients**

#### **Ecuador's Food Processers Seeking U.S. Quality Ingredients and Bulk Products.**

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**Report Highlights:**

The food processing industry is a huge component of Ecuador's manufacturing sector, grossing \$5.9 billion in 2016. Excellent sales prospects exist for U.S. food ingredient products to supply this industry. This report provides a road map for exporters wishing to enter the market and who want to understand the key channels of distribution for food ingredients, as well as growth areas for industrially processed foods, beverages and edible fisheries products.

**Post:**

Quito

## SECTION I. MARKET SUMMARY

Ecuador's economic growth in 2018 is forecast at one percent, the same as in 2017. Despite slow economic growth, Ecuador continues to offer U.S. food and agricultural product exporters a number of excellent possibilities, particularly in the food processing sector.

The food processing sector is one of the strongest performing sectors in Ecuador's economy. The sector is a huge component of the country's manufacturing sector, accounting for about 43 percent of the sector's contribution to the country's gross domestic product (GDP). In 2016, the food processing sector represented 12 percent of Ecuador's \$11.3 billion in non-oil export earnings, or \$1.4 billion. Spurring the sector's growth is increased acceptance and consumption of processed food products, which are now a well-established part of the national food culture due to the changing lifestyles of the new generations.

**Table 1: Ecuador, Retail Sales and Consumer Expenditure, (\$ billions), 2015-19**

	<b>2015</b>	<b>2016 (estimate)</b>	<b>2017 (forecast)</b>	<b>2018 (forecast)</b>	<b>2019 (forecast)</b>
Retail Food Sales (\$ billion)	\$23.8	\$23.5	\$24.7	\$25.4	\$26.4
Food, Beverage and Tobacco (consumer expenditure; \$ billion)	\$14.2	\$14.6	\$15.1	\$15.4	\$16.1

Source: Economist Intelligence Unit.

Ecuador's domestic food processing industry's main food and beverage sub-sectors include:

- Meat, meat products and sub-products
- Processed shrimp
- Fish and other processed aquatic products
- Crude and refined animal and vegetable oils
- Processed dairy products
- Milling and bakery products, noodles and pasta
- Sugar and sugar cane products
- Processed cocoa products, chocolates, and confectionery products
- Foodstuffs various
- Beverage products

**Table 2: Ecuador, Food Processing, Food and Beverage Sub-Sectors contribution**

to GDP, (\$ millions), 2013-16

	2013	2014	2015	2016	2015-16 % Change
Meat, meat products and sub-products	851	980	847.9	923	8.8%
Processed shrimp	637	1,014	721.0	903	25.2%
Processed Fish	176	163	148.3	281	89.7%
Other processed aquatic products	835	779	533.1	407	-23.7%
Crude and refined animal and vegetable oils	344	397	430.2	423	-1.8%
Processed dairy products	365	391	369.8	368	-0.4%
Milling products	217	190	528.3	554	4.8%
Bakery products	364	387	398.2	437	9.8%
Noodles and pasta	32	42	46.2	49	6.7%
Sugar and sugar cane products	107	118	125.5	142	13.3%
Processed cocoa products, chocolates, and confectionery products	96	100	104.1	98	-6.2%
Coffee products	105	72	100.9	103	1.7%
Foodstuffs various	124	139	234.5	290	23.8%
Alcoholic beverage products	496	567	569.4	647	13.6%
No-Alcoholic beverage products	274	322	352.7	337	-4.4%
<b>Total Food and Beverage GDP</b>	<b>5,025</b>	<b>5,662</b>	<b>5,510.0</b>	<b>5,961.2</b>	<b>8.2%</b>

Source: Central Bank of Ecuador, FAS Quito office research (based on latest available data).

The Central Bank of Ecuador (BCE) estimates that food and agricultural products (including livestock, fisheries, aquaculture, and forestry) contributed at least \$15.5 billion to the country's GDP in 2016. The food and beverage subsector alone accounts for about \$5.9 billion. The shrimp and fish processing sector exhibited particularly strong growth in 2016 (up 25.2 and 89.7 percent respectively), the alcoholic beverage sector is up 13.6 percent and the sugar and sugar cane products sector is up 13.3 percent. The processed cocoa products, chocolates, and confectionery products and the non-alcoholic beverage sectors shrank about 6.2 percent and 4.4 percent, respectively. Food and beverage processing remains largely concentrated in Ecuador's major urban centers of Quito, Guayaquil, and Cuenca.

**Table 3: Ecuador, Breakdown of Food and Beverage Manufacturers, 2011 (latest data)**

ECONOMIC ACTIVITY	MICRO	SMALL	MEDIUM	LARGE	NON CLASIFIED
<b>Food and Beverage Manufactures</b>	<b>134</b>	<b>177</b>	<b>137</b>	<b>162</b>	<b>169</b>
Meat, meat products and sub products	6	11	15	9	21
Fish and other processed aquatic products	14	17	20	31	16
Fruits and vegetables products	13	19	9	12	17
Animal and vegetable oils	2	1	7	23	3
Dairy products	18	19	12	12	13
Milling products, starch and starch products	8	10	11	11	6
Foodstuffs various	41	64	31	30	43
Pet food and Animal Feed	3	12	18	10	18
Alcoholic Beverage	5	9	4	7	9
Wine	2	1	3	1	4
Beer	0	0	0	2	1
Non-Alcoholic Beverage	22	14	7	14	18

Source: Superintendencia de Compañías – CIIU.

**Table 4: U.S. Supplier Advantages and Challenges in Ecuador**

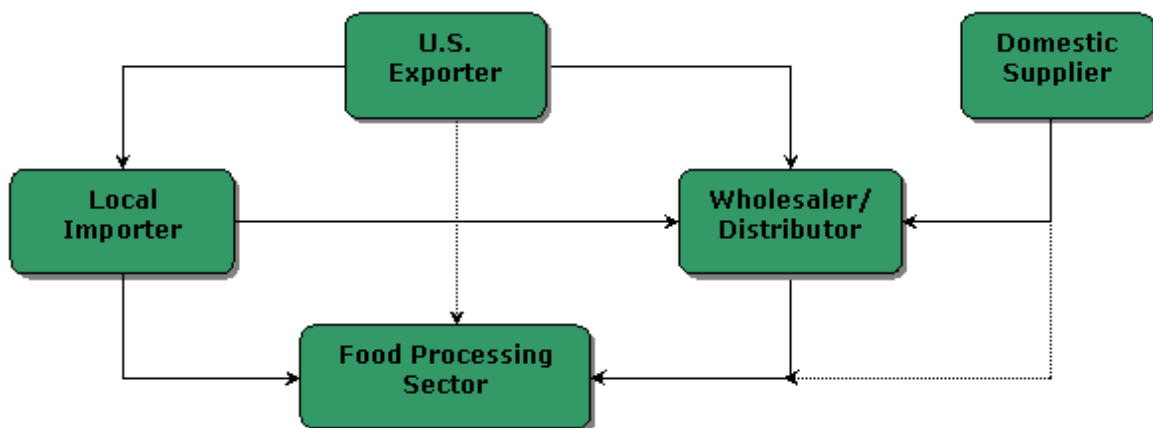
Advantages	Challenges
<ul style="list-style-type: none"> <li>• New opportunities are developing for exporters of unprocessed raw materials and food ingredients, due to import restrictions on a number of processed food products.</li> <li>• The United States remains Ecuador's main agricultural trading partner.</li> <li>• U.S.-origin products are well regarded for their high quality and value.</li> <li>• Local food processing industry struggles to offer competitive market prices.</li> </ul>	<ul style="list-style-type: none"> <li>• U.S. food and agricultural products (including food ingredients) are disadvantaged by the absence of a free trade agreement with Ecuador.</li> <li>• Ecuador's economy has experience a slow growth in last year and is expected to maintain similar growth rates in coming years.</li> <li>• Ecuador's import procedures are cumbersome.</li> <li>• U.S. foodstuffs exporters are less aggressive than other regional trade partners (e.g., Chile) in tracking Ecuadorian sales.</li> <li>• A quarter of the population is below the poverty line, lacking the financial means to afford imported products</li> <li>• U.S.-origin products tend not to be as price competitive as those from neighboring countries.</li> </ul>

## SECTION II. ROAD MAP FOR MARKET ENTRY

### A. Entry Strategy

- U.S. food ingredient producers and exporters seeking to enter the Ecuadorian market should contact local food processors directly or work with representatives, agents or distributors to define the application and product type best suited to meet end user needs. Large companies usually import directly from foreign suppliers. Small and medium-sized enterprises, lacking the ability to purchase large volumes, deal primarily with a representative or distributor. In the case of large volumes, the establishment of a local subsidiary to guarantee services and quality to clients is often advisable.
- U.S. food processing ingredients are well regarded for their high quality and value. To compete with local competitors, U.S. exporters need to offer a combination of quality, competitive pricing, and additional services (i.e., warranties and packaging suited to the local market's standards).
- U.S. exporters should build relationships with importers and distributors through visits to Ecuador. Constant monitoring, support, and ongoing communications with the importer can help offset freight and tariff advantages of neighboring country exporters.
- Creditworthiness is always a concern. U.S. exporters are advised to avoid offering direct credit lines until their client's creditworthiness is well established. If letters-of-credit are utilized, it is advisable that these be confirmed and that they are irrevocable letters-of-credit.
- FAS Quito can provide U.S. exporters with valuable market information, key import contacts, and local legal and business information. Exporters contemplating sales to Ecuador should contact FAS Quito (Section V).

### B. Market Structure



One way for new market entrants to build sales in Ecuador is by offering a combination of competitive

pricing along with profit sharing, promotion cost support, and by engaging in joint product promotions. If it is not possible to penetrate existing distribution channels, exporters can attempt to establish their own distribution channels. Distribution channels in Ecuador will vary between those for domestic and imported products.

FAS Quito estimates that raw material and food ingredients represent a significant portion of the final purchase price of locally manufactured food products. To maximize returns, local food processors will often seek out more affordable, locally sourced food ingredients. Local food processors tend to purchase directly from foreign suppliers, forgoing the use of brokers. Local companies with low sales volumes often face higher import related costs. To compensate for these expenses, many of these companies source imported food ingredients from wholesalers who act as importers.

Local food processors sell their products in supermarket chains throughout Ecuador. Based on sales, the main supermarket chains in Ecuador, representing approximately 60 percent of the sector, are *La Favorita (SuperMaxi)*, and *El Rosado (Mi Comisariato)*. *Tiendas Industriales Asociadas*, *Mega Santa Maria*, and *Supermercados Coral* are fast growing medium-sized supermarket chains. These same supermarket chains sell imported food products targeting middle- and high-income consumers.

## Company Profiles

Ecuador's food processing sector is one of the most successful components of the national economy. The sector benefits from stable, consistent demand for its products. Food and beverage processing companies are ramping up production output in response to increased product demand driven by population and income growth. Local processing companies are attempting to capitalize on this growth by lobbying the government for support at the expense of imported processed products.

**Table 5: Ecuador, Food and Beverage Manufacturing Subsectors, (\$ millions)**

<b>Economic Activity</b>	<b>Total Companies (2012)</b>	<b>Net Sales 2012 (\$ millions)</b>	<b>Market Share</b>
Meat, meat products and sub products	62	\$ 1,191.8	13.9%
Fish and other processed aquatic products	98	\$ 1,856.5	21.6%
Fruits and vegetables products	70	\$ 337.9	3.9%
Animal and vegetable oils	36	\$ 982.5	11.4%
Dairy products	74	\$ 543.0	6.3%
Milling products, starch and starch products	46	\$ 248.0	2.9%
Foodstuffs various	209	\$ 1,714.5	19.9%
Pet food and Animal Feed	61	\$ 433.0	5.0%
Alcoholic Beverages	34	\$ 70.4	0.8%
Wine	11	\$ 5.9	0.1%
Beer	3	\$ 430.8	5.0%
Non-Alcoholic Beverages	75	\$ 789.2	9.2%
<b>TOTAL</b>	<b>779</b>	<b>\$ 8,603.5</b>	<b>100.0%</b>

Source: Superintendencia de Compañías.

**Table 6: Profiles of Major Food Processing Companies (\$ millions)**

Company	Imports	2016 Sales (\$ millions)	End-Use Channels	Production Location	Procurement Channels
<b>CORPORACIÓN FAVORITA</b> (Meat, bakery goods)	Specialized food ingredients and processed food	\$1,887.20 (total retail sales)	Retail and HRI	Pichincha (33) Guayas (23) Azuay (4) Loja (1) Tungurahua (3) Imbabura (3) Manabí (7) Esmeraldas (4) Sto. Domingo (2) Cotopaxi (3) Los Ríos (2) Chimborazo (2) Cañar (1) El Oro (5)	Direct
<b>PRONACA</b> (Meats and poultry, prepared fruit and vegetables, prepared animal food, dry goods, prepared meals)	Grains, live animals, soybean meal, condiments	\$ 913.5	Retail and HRI	Ecuador (3) Brazil (1) Colombia (1)	Direct
<b>ARCA Ecuador</b> (Beverages)	Syrup	\$532.7	Retail and HRI	Ecuador (2)	Direct
<b>NESTLE ECUADOR</b> (Dairy products, baked goods, confectionary, snack food, dry goods, prepared meals)	Specialized food ingredients	\$ 480.4	Retail and HRI	Ecuador (1) Chile (6) Colombia (3) Venezuela (2)	Direct
<b>COMPAÑIA DE CERVEZAS NACIONALES</b>	Starch, Barley, glucose syrup	\$ 465.1	Retail and HRI	Ecuador (2)	Importers; Direct

(Beer)					
<b>LA FABRIL</b> (Oilseed products)	Bean raw oil, sunflower oil, fragrances, Flavors and antioxidants	\$460.4	Retail and HRI	Ecuador (1)	Wholesaler; Direct
<b>NEGOCIOS INDUSTRIALES REAL NIRSA</b> (Fish, prepared meals, dry goods)	Specialized food ingredients	\$364.5	Retail	Ecuador (1)	Direct, Broker
<b>HOLDING TONICORP</b> (dairy products)	Specialized food ingredients	\$363.6	Retail	Ecuador (1)	Wholesaler; Direct
<b>UNILEVER ANDINA ECUADOR</b> (Oilseed products, ice creams)	Animal fat, vegetable oil, corn oil, Specialized food ingredients	\$287.2	Retail and HRI	Ecuador (1)	Direct
<b>DANEC</b> (Oilseed products)	Animal fat, vegetable oil, corn oil, catalyst	\$245.8	Retail	Ecuador (1)	Direct
<b>THE TESALIA SPRING COMPANY</b> (Beverages)	Specialized food ingredients	\$234.7	Retail and HRI	Ecuador (1)	Direct
<b>SOCIEDAD AGRICOLA E INDUSTRIAL SAN CARLOS</b> (Sugar)	Specialized food ingredients	\$173.3	Retail	Ecuador (1)	Wholesaler; Direct
<b>INDUSTRIAS ALES</b> (Oilseed products)	Specialized food ingredients	\$161.5	Retail	Ecuador (1)	Wholesaler; Direct
<b>COMPANIA AZUCARERA VALDEZ</b> (Sugar)	Specialized food ingredients	\$141.2	Retail	Ecuador (1)	Wholesaler; Direct
<b>MODERNA ALIMENTOS</b> (Baked goods)	Wheat, Specialized food ingredients,	\$139.4	Retail and HRI	Ecuador (4)	Wholesaler; Direct

	Oats				
<b>CORPORACION AZUCARERA ECUATORIANA</b> (Sugar)	Specialized food ingredients	\$125.9	Retail	Ecuador (1)	Direct
<b>CORPORACION SUPERIOR</b> (Baked goods)	Wheat, Specialized food ingredients, Oats	\$121.2	Retail and HRI	Ecuador (3)	Wholesaler; Direct
<b>AVITALSA</b>	Grains, live animals, soybean meal, condiments	\$118.9	Retail and HRI	Ecuador (1)	Wholesaler; Direct
<b>AJECUADOR</b>	Syrup	\$111.7	Retail and HRI	Ecuador (1)	Direct
<b>ECUAJUGOS</b> (Non-alcoholic beverages)	Specialized food ingredients	\$101.3	Retail and HRI	Ecuador (1)	Direct
<b>MONDELIZE - KRAFT FOODS ECUADOR</b> (Beverages, cheese and dairy, convenient meals, snacks and cereals, grocery)	Specialized food ingredients and food commodities	\$96.6	Retail and HRI	Ecuador (1) Peru (1) Colombia (1) Venezuela (2)	Direct
<b>QUALA ECUADOR</b> (Beverages, dairy, snacks and cereals, grocery)	Specialized food ingredients and food commodities	\$95.7	Retail and HRI	Ecuador (1) Colombia (1)	Direct
<b>LACTEOS SAN ANTONIO</b> (dairy products)	Specialized food ingredients	\$84.0	Retail	Ecuador (1)	Wholesaler; Direct
<b>TIOSA</b> (Baked goods)	Specialized food ingredients and food commodities	\$75.5	Retail and HRI	Ecuador (1)	Direct

<b>FERRERO DEL ECUADOR</b> (Confectionary and Chocolate products)	(Sugar and specialized food ingredients)	\$72.9	Retail	Ecuador (1) Colombia (1) Peru (1)	Direct, broker
<b>INDUSTRIAL MOLINERA</b> (Dry goods: powdered wheat, oats)	Wheat, Oats	\$72.9	Retail	Ecuador (2)	Direct
<b>INDUSTRIAL SURINDU</b> (Baked goods, confectionary)	Molasses, specialized food ingredients and food commodities	\$71.8	Retail and HRI	Ecuador (1)	Direct
<b>PASTEURIZADORA QUITO</b> (dairy products)	Specialized food ingredients	\$70.6	Retail	Ecuador (1)	Wholesaler; Direct
<b>INTEGRACION AVICOLA ORO</b>	Grains, live animals, soybean meal, condiments	\$68.6	Retail and HRI	Ecuador (1)	Wholesaler; Direct
<b>ALPINA PRODUCTOS ALIMENTICIOS</b> (dairy products)	Specialized food ingredients	\$64.8	Retail	Ecuador (1)	Wholesaler; Direct
<b>CONFITECA</b> (Confectionary products)	(Sugar, gums, essence)	\$62.1	Retail	Ecuador (1) Colombia (1) Peru (1)	Direct, broker

Source: FAS Quito office research.

### C. Sector Trends

Ecuador's food and beverage sector has achieved a high degree of industrialization and technical sophistication among the larger processors. However, small processors' operations rely primarily on less efficient, traditional production methods. Spurring the sector's growth is increased acceptance and consumption of processed food products, which are now a well establish part of the national food culture.

Exchange rate fluctuations between the U.S. dollar and neighboring Latin American currencies often result in food processing ingredients being sourced by Ecuadorian importers from more affordable origins such as Colombia, Chile, and Mexico. Best U.S. product prospects include processed sugar, concentrated ingredients flavors, juice concentrates and mixtures, colorants, cereals, meats, flours, and food extracts.

FAS Quito recommends an Ecuador sales strategy that includes targeting food manufacturers with diversified product lines. One leading food manufacturer alone maintains a portfolio of over 800 products and 26 brands. The main processed food products in the Ecuadorian market are pre-cooked or easy to prepare meals that utilize a high proportion of imported food ingredients and seasonings.

### SECTION III. COMPETITION

U.S. food ingredients face strong competition from Latin American producers. Exports from neighboring countries, benefitting from a closer proximity, are more competitive due to lower shipping costs. Import tariffs levied on U.S. food ingredients are higher than those charged against neighboring countries and European products that benefit from free trade agreements.

Domestic food manufacturers rely heavily on local food ingredients. Ecuador's government is attempting to restrict imports in order to stimulate local production and increased domestic use. The government is also aiming to increase production for regional export. Ecuadorian companies tend to import specialized food ingredients such as flavoring agents, colorants, preserving agents, and emulsifiers. These products have traditionally being imported mainly from the United States and the European Union (EU) since Ecuador lacks the means to manufacture these products in sufficient volumes.

Ecuador is heavily dependent on imported wheat, soybean oil, and soybean meal. It is also an importer of fish products, crustaceans, and mollusks. Additionally, it imports pre-mix ingredients for dog and cat pet food and related products.

**Table 7: Competitive Situation Facing U.S. Suppliers**

<b>Product Category</b>	<b>Major Import Supply Sources in 2016</b>	<b>Strengths of Key Supply Countries</b>	<b>Advantages and Disadvantages of Local Suppliers</b>
<b>Seafood</b> Net imports: 66,410MT US\$79.5 million	Peru: 10 % Chile: 4% Marshall Islands: 4%	Peru is the major supplier of seafood products in South America.	Ecuador is a major Latin American tuna fish producer.
<b>Non-alcoholic beverages</b> Net imports: 3,224 MT US\$3.8 million	Colombia: 25% Mexico: 24% United States: 22%	Colombian products are more price competitive.	Growing product diversification.
<b>Beer</b> Net imports: 2,551 MT US\$3.1 million	Colombia: 45% Netherlands: 22% Mexico: 16%	Suppliers offer wide variety of beer products at competitive prices.	There is a growing trend to buy local brands.
<b>Oilseed products</b> Net imports: 8,037MT US\$24.2 million	United States: 29% Brazil: 11% Netherlands: 10%	Suppliers are benefitting from high international commodity prices.	National production is low.

<b>Sugars and sugar confectionery</b> Net imports: 78,194MT US\$59.0 million	Colombia: 66% China: 7% Mexico: 7%	Colombian sugar meets quality certifications and is tariff exempt.	Domestic production is less competitive than imported product.
<b>Dairy products</b> Net imports: 3,358 MT US\$7.1 million	Chile: 37% United States: 17% Denmark: 12%	Suppliers offer a number of products not produced within Ecuador.	Domestic production is protected by the government.
<b>Baked goods</b> Net imports: 13,168 MT US\$27.9 million	Colombia: 43% Peru: 40% United States: 8%	Main suppliers offer competitive prices.	International product manufacturers are already present in the market.
<b>Milling products</b> Net imports: 52,219 MT US\$29.7 million	Chile: 53% Colombia: 10% Argentina: 6%	Andean Community member, Colombia is tariff exempt.	A local oligopoly controls pricing.
<b>Meats</b> Net imports: 3,850 MT US\$5.8 million	Chile: 42% Bolivia: 24% United States: 21%	Main suppliers provide advance sanitary certifications.	Quality concerns with informal sector production.
<b>Prepared fruit, vegetables and nuts</b> Net imports: 28,123 MT US\$33.9 million	Chile: 44% Peru: 12% Netherlands: 12%	Chilean products are highly price competitive.	Year round domestic production is limited by lack of technology.
<b>Prepared animal food residues and waste from the food industry; prepared animal feed.</b> Net imports: 1,134,140 MT US\$596.7 million	United States: 30% Peru: 27% Bolivia: 16%	Main suppliers offer a number of products not produced locally.	Local industry is diversifying and offering competitive pricing.
<b>Preparations of food miscellaneous</b> Net imports: 23,301 MT US\$174.8 million	Chile: 35% Colombia: 13% United States: 12%	Suppliers produce ingredients that do not exist in the country.	National production is small and deficient.
<b>Alcoholic beverages (Spirits)</b> Net imports: 1,595 MT US\$5.3 million	United Kingdom: 33% Panama: 19% Colombia: 18%	Main suppliers offer competitive pricing and branded quality products.	Local industry concentrates on low-end product production. Bulk growing for local bottling.

Source: FAS Quito

## SECTION IV. BEST PRODUCT PROSPECTS

Excellent prospects exist for high quality U.S. food ingredient products (e.g., artificial flavorings, colorants, preservatives, and spices). Wheat, soybean flour, yellow corn, fruit juices and concentrates,

glucose syrup, whey, and lactose also offer good prospects.

**Category A: Products Present in the Market That Have Good Sales Potential**

<b>Product Category</b>	<b>2016 Imports (US\$ Millions)</b>	<b>5-Yr. Avg. Annual Import Growth</b>	<b>Import Tariff Rate</b>	<b>Key Constraints for Market Development</b>	<b>Market Attractiveness for the United States</b>
Preparations of food, miscellaneous	\$179.8	1.9%	10% - 30%	Chile and Colombia dominate imports. Some products may require a Certificate of Conformity. Safeguards are applied to products in this category.	Domestic production is limited; opportunities exist for high quality U.S. products.
Cereals and Milling products	\$315.6	-7.2%	20% - 30%	Local oligopoly controls the industry, including price fixing. Some products may require a Certificate of Conformity	The United States and Canada supply 32% and 50% of Ecuador's cereal needs; insufficient domestic production.
Chocolate and confectionery products	\$48.9	-4.1%	30%	Colombia dominates imports thanks to more competitive prices. Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	U.S. brands are well recognized; Ecuadorian sugar prices are elevated.
Bakery products, noodles and pasta, Flour and Starch	\$83.9	-2.6%	20% - 25%	Andean Community members and regional suppliers dominate imports. Some products	Specialty U.S. products are not available in the region. Quality products are preferred.

				may require a Certificate of Conformity. Safeguards applied for products in this category.	
Non-alcoholic beverages	\$3.8	-23.1%	30%	Colombia dominates imports. Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	Domestic production is slow to launch new brands; local production costs are high.
Meat and meat products	\$5.8	-26.9%	20% - 85%	Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	U.S. products are recognized for their quality.
Dairy products	\$7.1	-9.6%	25% - 30%	National production is promoted. Regional suppliers are main suppliers. Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	Specialty U.S. products are not available in the region.

Note: For more information about the required “Certificate of Conformity,” please see FAS Quito’s 2017 FAIRS Report.

**Category B: Products Not Present in Significant Quantities, but with Good Sales Potential**

Product Category	Import Tariff Rate	Key Constraints for Market Development	Market Attractiveness for the United States
Basic Chemicals products for the preparation of food	0% - 5%	Lack of accurate market information.	Tariffs are minimal.
Crude and refined oil and fat	0% - 20%	Domestic manufacturing is well diversified.	Consumers are increasingly demanding healthier corn and

		Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	canola oil; Ecuador mainly produces palm oil.
Seeds and dry fruits	0% - 10%	Chile is major supplier that benefits from competitive pricing and shipping cost advantages. Some products may require a Certificate of Conformity. Safeguards applied for products in this category.	Importers prefer U.S. product based on taste preferences.

Note: For more information about the required “Certificate of Conformity,” please see FAS Quito’s 2017 FAIRS Report.

## SECTION V. POST CONTACTS AND FURTHER INFORMATION

U.S. Embassy Quito, Foreign Agricultural Service (FAS) Office of Agricultural Affairs

Physical Location: Avda. Avigiras E12-170 y Ave. Ely Alfaro, Quito, Ecuador

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For additional information, see [www.fas.usda.gov](http://www.fas.usda.gov). See also to our Exporter Guide, Food and Agricultural Import Regulations and Standards (FAIRS), and FAIRS Export Certificate GAIN reports