



Ecuador – Country Presentation

Fact Pack

Swedish Trade Council in Argentina

November 2007



THE SWEDISH TRADE COUNCIL MAKES IT EASIER FOR SWEDISH COMPANIES TO GROW INTERNATIONALLY

Sweden:

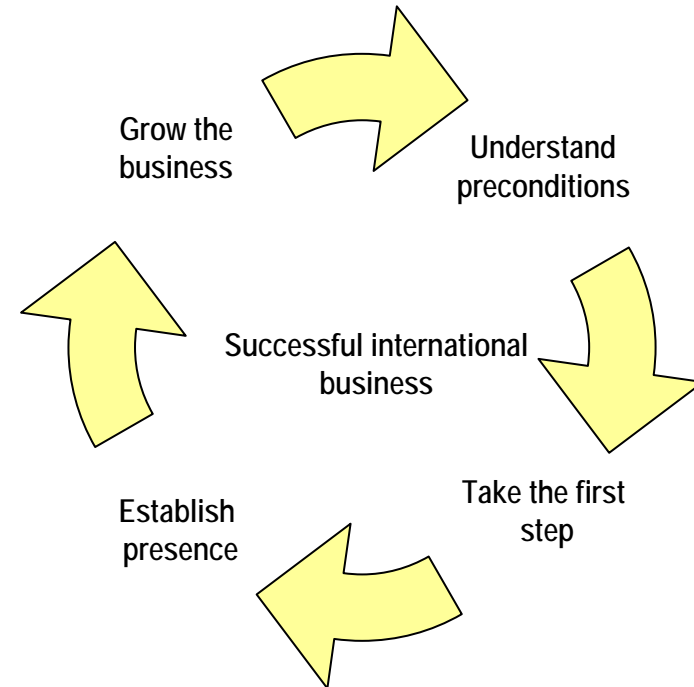
- Headquarters in Stockholm, 80 employees
- 22 regional export advisers
- All Trade Commissioners regularly visit different parts of Sweden

Abroad:

- 60 places, 400 employees in 52 countries
- Through partners and networks we cover more than 100 countries

Argentina:

- Office in Buenos Aires
- 5 employees



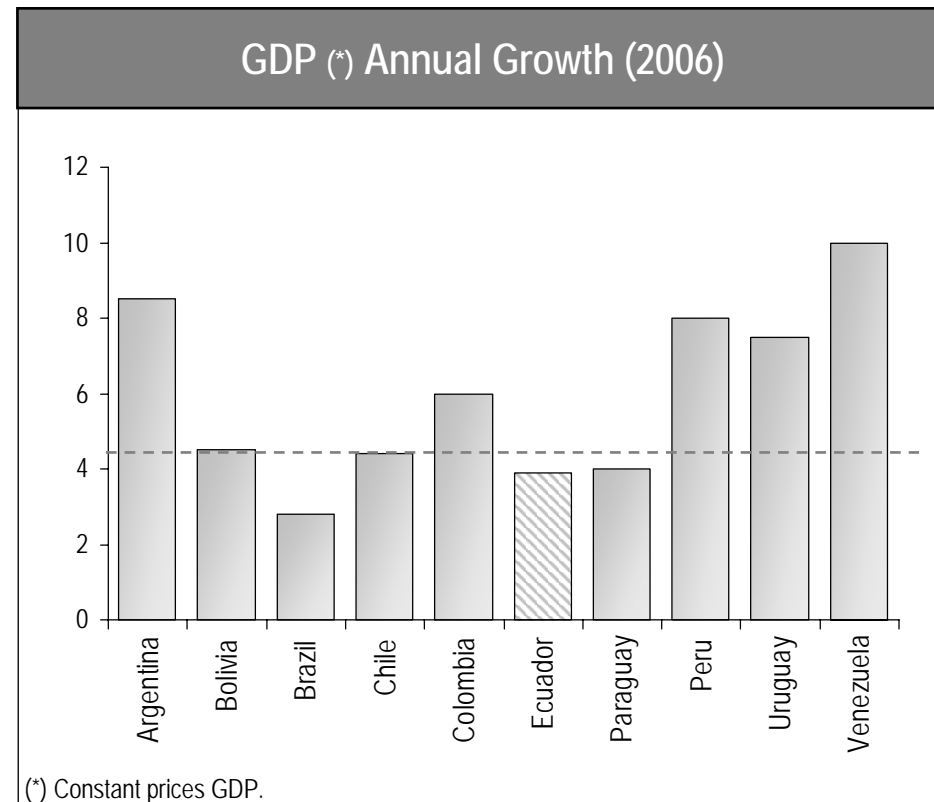
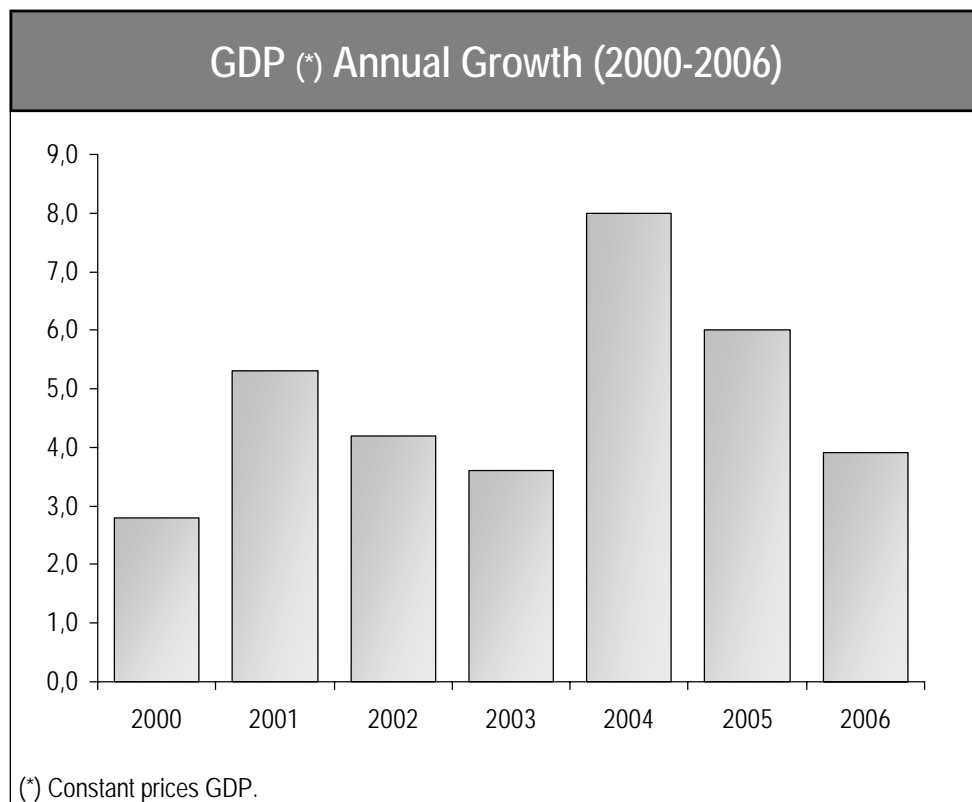
Vision of the office:
STC in Buenos Aires is the primary consulting partner for Swedish companies doing business in Ecuador

ECUADOR IN BRIEF

- Area: 283.560 km²
- Inhabitants: 13.8 million
- Constitution: Democratic republic
- Head of State: President Rafael Correa
- Languages: Spanish, Amerindian languages
- Inhabitants per km²: 49/km²
- Currency: US Dollar
- GDP 2006: 41.4 BUSD
- GDP per capita 2006: 3057 USD
- Inflation(2006): 3.3 %
- Main exports: Oil and Agricultural Goods
- Main imports: Capital goods for the industry
- Swedish Exports to Ecuador 2006: 206 MSEK
- Swedish imports from Ecuador 2006: 98 MSEK



ECUADOR ACHIEVES ECONOMIC GROWTH DISPITE POLITICAL INSTABILITY

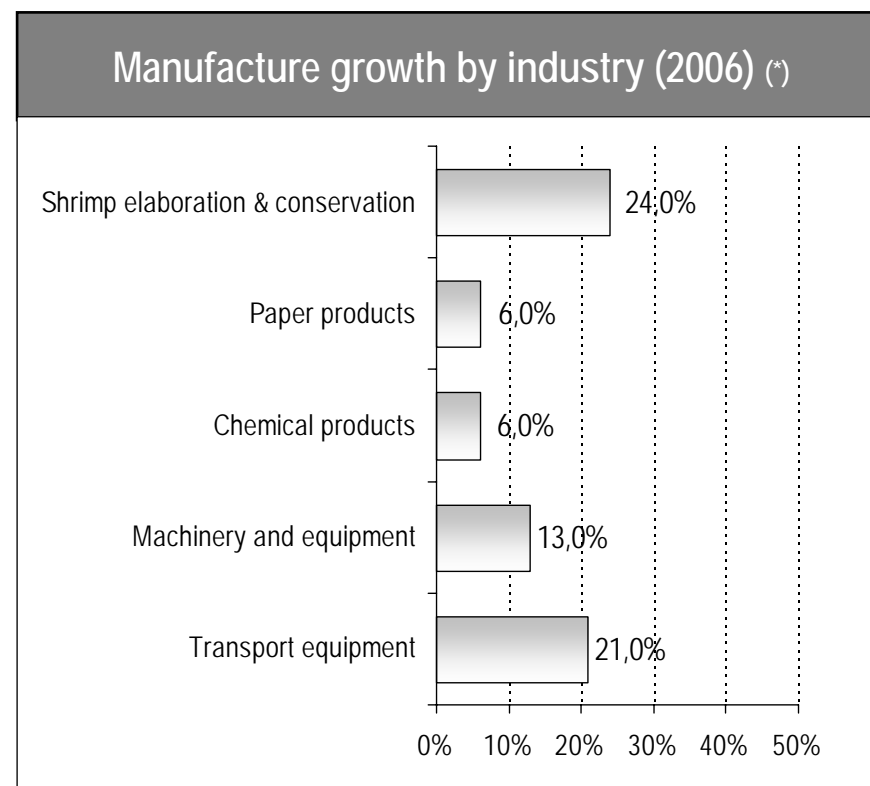
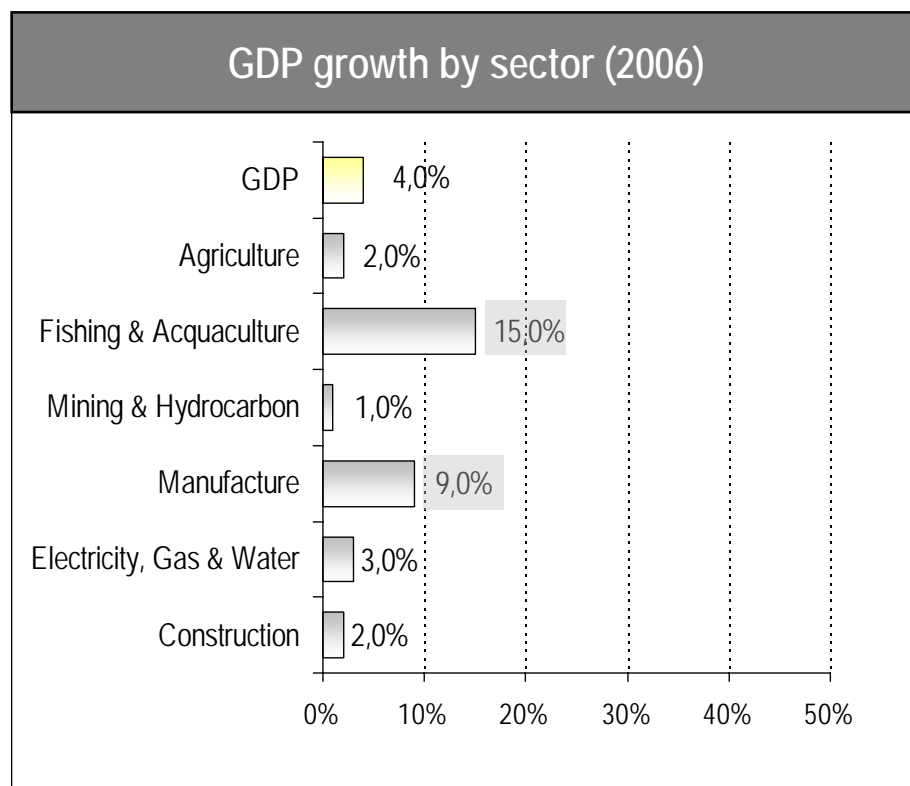


Current President Correa assumed early in 2007



FISHING AND MANUFACTURE ARE FAST GROWING SECTORS

- Shrimp is the most active production in the fishing & aquaculture industry

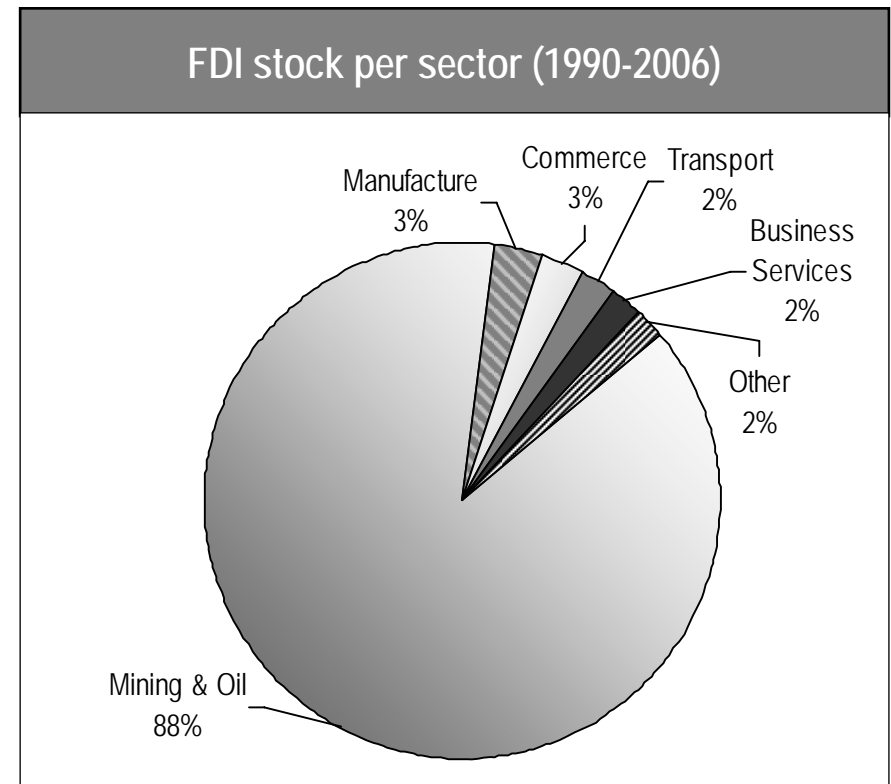
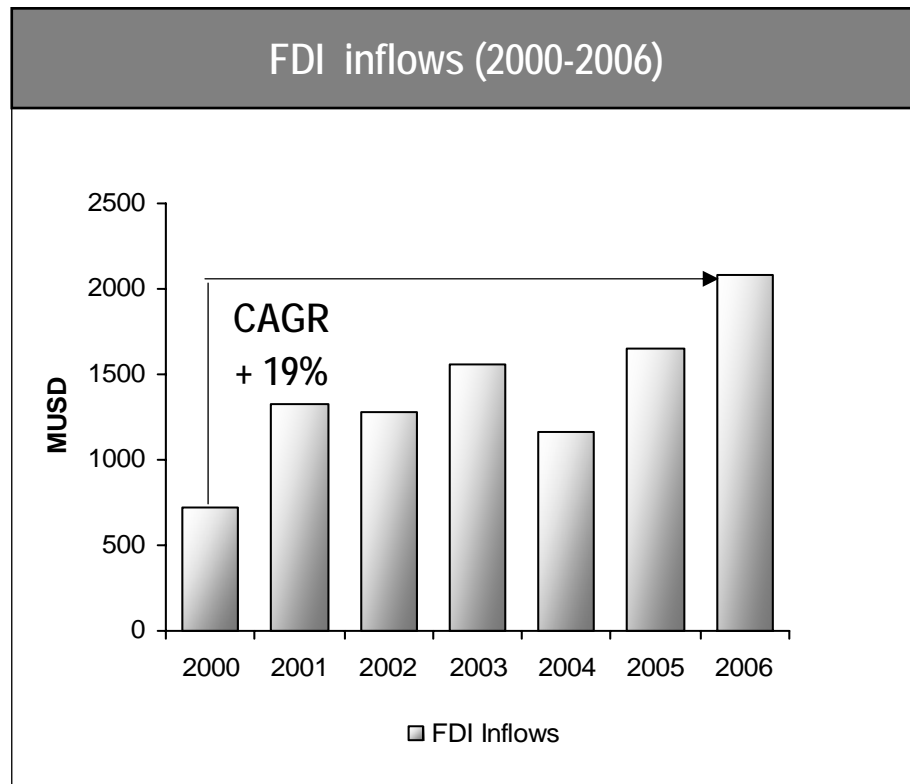


(*) Not all industries were graphed

Imports of inputs and capital goods for the industry show a dynamic performance

FDI INFLOWS INCREASED A 27% IN 2006

- Oil & Mining activities are the main destination for inflows



Ecuador requires FDI to maintain liquidity in the dollarized economy

INTERESTING SECTORS FOR SWEDISH COMPANIES

Oil	Fishing & Aquaculture	IT & Telecom
<ul style="list-style-type: none"> • Oil is an major economic activity in Ecuador. • Investment from private companies has been low and must pick up or production will be severely affected • Investment in oil machinery and equipment is strongly dependent on imports 	<ul style="list-style-type: none"> • Ecuador is a producer and exporter of shrimp and tuna with worldwide recognition • Ecuador is growing faster than its competitors in the shrimp exports market. • There could be potential for aquaculture technology and services as well as port infrastructure and fishing equipment 	<ul style="list-style-type: none"> • There is free competition in the market since year 2002 • The market is growing in hand with mobile lines, which already achieve a high penetration • Authorities support technology innovation in the sector.



BUSINESS CULTURE – IMPORTANT TO REMEMBER

Personal relationships are important

- Business relationships in Ecuador are personal: respect and trust are essential.
- Business meetings generally take place in Spanish. Therefore it is good if you know the language or have an interpreter.
- Local connections are important to achieve good business
- Get local legal advice to be sure that you are making an appropriate agreement with your partner
- It is common having to make some concessions to your agent or distributor regarding: quantity, price, delivering time, training and marketing shared costs.
- Talk with the STC, embassy and chamber of commerce and ask them for contacts.

Business meetings essentials

- If possible don't arrange a meeting on the day of your arrival, change in altitude may make you very tired
- Ecuadorian business men appreciate being provided with business cards, presentations and brochures translated to Spanish.
- Handshake when meeting and leaving is expected, also across genders.
- Make appointments at least two weeks in advanced.
- Don't be offended if you are kept waiting for your counterpart, but you are expected to be on time.
- Be prepared for some small take before business discussions
- Use you counterpart or host professional title and surname



ECUADOR PROVIDES BUSINESS OPPORTUNITIES

- Ecuador shows positive rates for GDP change over the last years
- Inflation remains low
- FDI is growing
- Manufacture industries are growing and demand increasing volumes of imports
- Trade conducted in US dollar: no currency risk

... which has contributed to...

...the fact that more than **10** Swedish companies are registered in Ecuador and some other are there as sub suppliers or via distributors.

STC Argentina is the natural partner for all Swedish companies who wants to establish or develop their business in Ecuador



USEFUL CONTACTS

Ecuador Invest

Tel: +593 4 268 15 50

www.ecuadorinvest.org

Ecuadorian Enterprise Committee

www.comiteempresarial.org

Guayaquil Chamber of Commerce

Tel: +593 4 268 27 71

www.lacamara.org

Companies Superintendence

Tel: +593 2 255 35 05

www.supercias.gov.ec

Ecuadorian Institute for Normalization

Tel: +593 2 250 18 85

www.inen.gov.ec

Customs

Tel: +593 2 244 40 49

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