

Voluntary Report – Voluntary - Public Distribution

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Report Name: Once Again Agricultural Trade Between United States and Ecuador Reaches Records

Country: Ecuador

Post: Quito

Report Category: Agricultural Situation, Export Accomplishments - Other

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Report Highlights:

Despite continued economic, security and political constraints, U.S. – Ecuador bilateral agricultural and related product trade rose to \$4.4 billion in 2023. In addition, U.S. agricultural and related product exports to Ecuador reached a record \$805.6 million. This is the fifth record-breaking year in a row for U.S. agricultural exports to Ecuador. This demonstrates continued opportunities in Ecuador and underscores the value of the market growth potential.

Agricultural Trade Situation

Bilateral agricultural and related product trade (including biodiesel, forest, and seafood products) between the United States and Ecuador rose to \$4.4 billion in 2023 with mutual increases in export values. This reflects the increasingly positive trade and business climate between Ecuador and the United States. The agricultural and related product trade balance remained significantly beneficial for Ecuador, but declined slightly by one percent, first drop in over a decade, resulting in a U.S. agricultural and related product trade deficit of \$2.8 billion. Ecuador's agriculture and related product export trade to the United States is primarily driven by Ecuadorian shrimp exports, which represent 47 percent of export values at \$1.7 billion. Also, the trade deficit of just agricultural products increased 17 percent to \$971.9 million, representing a two-to-one trade ratio in favor of Ecuador.

Exports of U.S. agricultural and related products to Ecuador in 2023 totaled a record \$805.6 million, up \$65.4 million or 9 percent compared to 2022. This growth was driven primarily by Ecuadorian demand for U.S. intermediate products, mainly soybean meal and distillers dried grains with solubles (DDGS). Total imports of bulk products decreased 48 percent by value, principally the result of a decrease in imports of wheat. Imports of U.S. intermediate products grew 33 percent due to soybean meal, feeds and fodders, and DDGS. Imports of consumer-oriented products were down almost 2.5 percent despite that several categories reached record numbers.

Leading Product Categories

Even while facing economic and political constraints, some U.S. products in 2023 traded at record levels in the Ecuadorian market. For example, U.S. soybean meal reached an historical export value at \$453.9 million, up 42 percent from 2022. This increase is directly related to the growing shrimp production industry in Ecuador. The growth of the feed meal sector in Ecuador also positively impacted trade, reaching records export values for DDGS at \$40.2 million. Other record export values were achieved from categories such as planting seeds, chocolate & cocoa products, and distilled spirits. The increase in U.S. distilled spirits trade is especially notable due to stiff market competition from reduced tariff European Union (EU) spirits as part of the Ecuador-EU Free Trade Agreement.

Other categories also realized important growth in 2023 despite not reaching record export values. Live animals reached \$2.1 million (26.7 percent increase), sugar & sweetener reached \$2.4 million (13.9 percent increase), poultry meat reached \$3.5 million (18.4 percent increase), fresh fruit \$9.2 million (36.5 percent increase), fruit & vegetable juice \$1.2 million (12.2 percent increase), tree nuts \$3.4 million (29 percent increase), confectionary \$2.8 million (10 percent increase) and forest products \$1.7 million (48.3 percent increase). See the comprehensive product list below in Table 1 for more details.

Table 1: Noteworthy U.S. Agricultural Exports to Ecuador 2023

Category/Product	U.S. Export Value (USD)	Percent Growth 2021/22	Note
Soybean Meal	\$453.9 million	42.7	Record value
Other feeds, meals, & fodders	\$75 million	-4.6	
Wheat	\$68.7 million	-38.8	
DDGs	\$40.2 million	75.2	Record value
Cotton	\$17.1 million	-44.6	
Seafood products	\$17.1 million	-20.3	
Food preparations	\$12.8 million	-10	
Distilled spirits	\$9.5 million	12.4	Record value
Planting seeds	\$9.2 million	69.8	Record value
Fresh fruits	\$9.2 million	36.5	
Chocolate & Cacao products	\$9 million	26.6	Record value
Condiments & sauces	\$8.9 million	-1.8	
Vegetable oils	\$8.6 million	-9.2	
Bakery goods, cereals, & pasta	\$8.2 million	-14.3	
Other intermediate products	\$7.6 million	-12.4	
Dextrin, peptones & proteins	\$6.1 million	2.9	
Dairy products	\$5.8 million	-24.7	
Poultry meats & products (excl. eggs)	\$3.5 million	18.4	
Tree nuts	\$3.4 million	29	
Essential oils	\$3.2 million	3.6	
Non-Alcoholic Beverage (excl juice)	\$3 million	-0.1	
Confectionery	\$2.8 million	10	
Beef and beef products	\$2.7 million	-2.2	
Processed vegetables	\$2.8 million	-0.5	
Sugar, sweeteners, bev. bases	\$2.4 million	13.9	
Other consumer oriented	\$2.2 million	-11.3	
Live animals	\$2.1 million	26.7	

The Most Impacted

As expected, some economic and political issues, as well as logistics complications, resulted in trade value decreases for some product categories in 2023. The most affected products were wheat, corn, soybeans, cotton, animal fats, pork and pork products, dairy products, beer, wine, dog & cat food, nursery products & cut flowers and seafood products.

Looking ahead

Going into 2024, FAS Quito sees opportunities in Ecuador across all product categories that showed an increase 2023, as well as others that were primarily impacted by economic and political constraints. However, several restrictive regulatory measures and import tariffs continue to limit exports of some product categories, namely animal products. For more information on these measures, please see FAS Quito's 2023 [Food and Agricultural Import Regulations and Standards \(FAIRS\) Country Report](#) and [Exporter Guide](#).

Attachments:

No Attachments.