



## COUNTRY PROFILE



*Residents of Ecuador's northern border region tend a field of quinoa, a traditional Andean grain. USAID programs in the area promote licit alternatives to drug trafficking.*

### OVERVIEW

Ecuador is a developing country with a lower-middle per capita income. U.S. assistance to Ecuador focuses on counter-narcotics cooperation, promoting democracy, furthering economic development, and improving management of natural resources. USAID's vision in Ecuador, outlined in the Country Strategy Statement of July 2006, states, "Ecuadorians create an equitable, sustainable economy with strong democratic institutions."

Spillover from the narco-economies of Peru and Colombia negatively impacts the lives of many Ecuadorians in the border regions. Ecuador has enjoyed civilian rule since 1979, yet its democracy remains fragile. None of the previous three elected presidents have completed a normal term in office, and eight presidents have served over the last decade. In September 2008, voters approved a new constitution—the country's twentieth since gaining independence. Ecuador is home to some of the world's most biodiverse territories, but these pristine areas are threatened by deforestation and contamination.

### PROGRAMS

#### Alternative Development

This program contributes to the economic and social development of the northern and southern border regions. The objectives of the program are to increase job and licit income opportunities, strengthen local government capacity, and improve local infrastructure. In 2009, USAID's Alternative Development program created 7,168 new full time equivalent jobs. Participating family incomes increased by 29% on average, from \$1,200 to \$1,549. The large increases occurred mostly in the cocoa and coffee sectors, which benefited from high prices. USAID developed sustainable farm-level production and marketing systems for 20 established firms and their respective backward and forward linked farmers in cacao, coffee, broccoli, herbs, and milk. Since the program's inception in 2001, more than 111,401 families have benefited from the construction of 86 bridges, 161 potable water systems, 63 sanitation systems, and 16 irrigation systems. Also, USAID's health education campaign reduced diarrheal diseases by 31% in children under five years in age in targeted areas.

#### Democracy

The program contributes to strengthening the democratic system by supporting local governments, enhancing access to justice, broadening civil society participation in democratic processes, and promoting transparent and inclusive elections. With USAID support, 76 local governments have implemented

#### ECUADOR SNAPSHOT

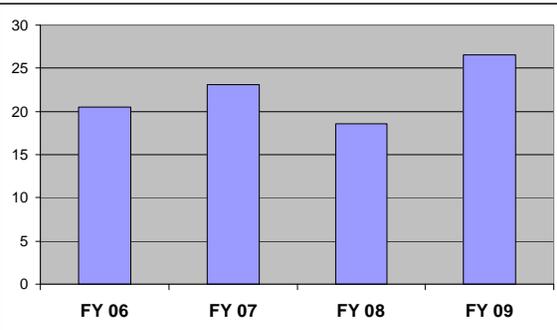
Date of Independence: 1830  
Population: 14.791 million (2010)  
GDP (PPP) \$108.2 billion (2009)  
GDP per capita (PPP) \$7,400 (2009)

SOURCE: CIA, The World Factbook

<http://ecuador.usaid.gov/>



## USAID ASSISTANCE TO ECUADOR (DOLLARS IN MILLIONS)



### CONTACT INFORMATION

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participatory planning processes and have improved management practices to enhance service delivery. USAID also trained and deployed 9,670 domestic observers to promote fair, transparent local and national elections in 2009.

### Economic Growth

USAID contributes to poverty reduction by promoting trade, attracting investment, and improving competitiveness. USAID is collaborating with the government and the private sector by emphasizing practical solutions that create new job opportunities, increase rural incomes, and build private-public alliances for economic growth. USAID has been instrumental in promoting the value-chain methodology in Ecuador, which organizes small producers and businesses to become specialized suppliers for large firms with local and international markets. In 2009, the program created approximately 925 new full-time equivalent jobs and stabilized employment for 12,491 people through commercial agreements with larger firms. Revenues increased by an average of 35% among participating small and medium businesses. USAID also supports a guarantee fund with two commercial banks to provide credit to support productive sector activities that utilize the value chain methodology. Over 1,200 loans have been guaranteed for more than \$8.5 million. Over 45% of the borrowers have been women.

### Environment

USAID efforts focus on the conservation of biodiversity in Ecuador, particularly in the National System of Protected Areas, indigenous territories, and in watersheds. In 2009, USAID supported improvements in the management of 1,944,874 hectares of critical ecosystems. This includes 1,605,099 hectares of indigenous land with secure tenure, marked boundaries, and participatory surveillance systems. In addition, a new program strengthens management of 265,000 hectares of critical habitats in coastal Ecuador while improving the livelihoods of local populations and promoting public-private partnerships that support biodiversity conservation. USAID supported replication of Quito's water protection fund—in which water users pay into a conservation endowment—in four other sites. USAID also financed non-destructive productive activities and improved management practices to reduce threats to biodiversity and improve water quality. USAID-funded programs trained 14,165 people in best management practices to conserve natural resources.

### Other Initiatives

1. Combat trafficking in persons, including prevention and protection of victims.
2. Inclusive development to promote the participation of persons with disabilities in democratic processes and labor integration.
3. Disaster preparedness and humanitarian assistance for victims of natural disasters.