



# EFTA - Ecuador Comprehensive Economic Partnership Agreement (CEPA)

## OVERVIEW



CEPA signed on **25 June 2018**  
in Sauðárkrókur, Iceland.



Entry into force on  
**1 November 2020** for all  
Parties.

Under the CEPA, tariffs on most bilateral trade with Ecuador will be totally or partially eliminated.

The CEPA covers trade in goods, trade in services, establishment (investment), intellectual property rights, government procurement, competition, trade and sustainable development and cooperation.



## DID YOU KNOW?

The main exports from the EFTA States to Ecuador in 2020 were pharmaceutical products, organic chemicals and machinery, whilst fruit and nuts, cocoa and cocoa preparations and cut flowers were the main imports.

### Country information - Ecuador

GDP (Nominal)\* \$99 billion (2020)

Population\* 17.6 million (2020)

Rank in world trade (2020),  
Goods\*\* 68th in exports  
75th in imports

Rank in world trade (2020),  
Services\*\* 101st in exports  
96th in imports

### Trade Statistics (2020)

Total imports to EFTA\*\*\* \$113 million

Total exports from EFTA\*\*\* \$108 million

Ecuador is EFTA's 61st largest export partner and 50th import partner for goods.

\* Source: World Bank; \*\* Source: World Trade Organization; \*\*\* Source: EFTA Statistics

# Content of the Agreement



## INCREASED MARKET ACCESS

For industrial products, EFTA eliminated **all customs duties** upon entry into force of the Agreement. Ecuador eliminated **60% of duties** with immediate effect and **99%** of EFTA industrial products exported to Ecuador will be duty-free at the latest after ten years. Regarding agricultural products, some key EFTA exports such as cheese will benefit from duty-free quotas, while Ecuadorian exports such as quinoa, bananas or chia will be able to enter EFTA markets at a reduced price. **Key agricultural sensitivities have been preserved on both sides.**

## REDUCTION OF NON-TARIFF BARRIERS FOR GOODS



The Agreement ensures a **stronger cooperation on controls and checks for animal and plant health**, the **removal of red tape with transparent and facilitated procedures** for export and import of products, and a **dynamic management of the Agreement.**



## SERVICES & INVESTMENT

The chapter on trade in services guarantees all EFTA service providers facilitated access to the Ecuadorian market at transparent, non-discriminatory and predictable conditions set out therein. Separate annexes on financial, telecommunication and maritime transport services and the movement of natural persons supplying services complement the chapter with additional disciplines specific to those sectors. **The chapter on investment/establishment allows EFTA investors to seek opportunities in the Ecuadorian market benefiting from a stable, non-discriminatory and transparent framework.**

## PROTECTION OF INTELLECTUAL PROPERTY RIGHTS



The Agreement establishes a **common understanding of the domestic regulatory framework in key areas of intellectual property**, including on trademarks, copyrights, patents, undisclosed information, industrial designs and geographical indications. It **further sets out in a transparent manner important parameters for the enforcement of intellectual property rights, including at the border.**



## HORIZONTAL ISSUES & DISPUTE SETTLEMENT

The Agreement establishes **rules and procedures applying with respect to the avoidance or settlement of any disputes that may arise between the Parties** concerning the interpretation or application of the Agreement. It also includes the possibility for **fast, amicable solutions through voluntary mediation instead of formal dispute settlement procedures.**

## TRADE & SUSTAINABLE DEVELOPMENT



**The EFTA States and Ecuador recognise the importance of the interdependence between trade and sustainable development.** Among other commitments, the Parties will promote full and productive employment and decent work for all, improve forest law enforcement and governance, recognise the importance of biological diversity and promote the use of the Convention on International Trade in Endangered Species (CITES). They will commit to effectively implement the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement, implement measures to combat illegal, unreported and unregulated (IUU) fishing, and facilitate investment and trade in services and goods contributing to sustainable development.