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Voluntary _ Public

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GAIN Report Number:

Ecuador

Post: Quito

U.S. Live Cattle Market Access Achieved in Ecuador

Report Categories:

Export Accomplishments - Other Livestock and Products

Approved By:

Mariano J. Beillard

Prepared By:

Mariano J. Beillard and Andres Barahona

Report Highlights:

On December 11, Ecuador's AGROCALIDAD confirmed acceptance of USDA Quito's proposal to implement a 30-day quarantine period for blue tongue disease. APHIS posted the new export protocol on the website on December 17, 2014. Agreement on the quarantine period (in the United States) eliminates the last hurdle for U.S. live cattle (from all U.S. states) market access to Ecuador, as well as halves buyers' animal feed and maintenance costs during quarantine. FAS Quito's unceasing intervention with the Government of Ecuador senior level authorities and close coordination with APHIS led to successful protocol negotiations. The Government of Ecuador, through public sponsored and private sector purchases, anticipates importing about 30,000 head of cattle over the next three years. FAS Quito estimates that imports could surpass \$75 million (at \$2,500/head); U.S. exports could account for half of these imports, or about \$35 million.

General Information:

On December 11, Ecuador's AGROCALIDAD confirmed acceptance of the USDA Quito's proposal to implement a 30-day quarantine period for blue tongue disease. Ecuador had on November 20, 2014, previously accepted the protocol language proposed by USDA APHIS, but insisted on maintaining a 60-day quarantine period. Agreement on a 30-day quarantine period (in the United States) eliminates the last hurdle for U.S. live cattle (from all U.S. states) market access to Ecuador, as well as halves buyers' animal feed and maintenance costs during quarantine. APHIS Veterinary Services published the new protocol on December 17 in the APHIS electronic library requirements for the export of U.S. live cattle to Ecuador.

FAS Quito's unceasing intervention with the Government of Ecuador senior level authorities and close coordination with APHIS led to successful protocol negotiations. The United States today is the only country that has a live cattle export protocol with Ecuador.

Opportunities exist for an initial U.S. live cattle shipment to Ecuador in February 2015. During this period importers could take advantage of the lower freight costs associated with the Valentine's Day shipping season. The next window of opportunity for favorable freight costs is during the Mother's Day shipping season. The Government of Ecuador, through public sponsored and private sector purchases, is anticipating importing about 30,000 head of cattle over the next three years. FAS Quito estimates that imports could surpass \$75 million (at \$2,500/head); U.S. exports potentially could account for half of these imports, or about \$35 million.