

All foreign investors who wish to invest in Ecuador must submit their application to the Ministry of Industry, Commerce and Integration (MICEI).

In addition, any direct foreign investment must be registered with the Central Bank of Ecuador together with the agreement that determines the conditions of the authorization.

All contracts covering the importation of technology, patents and trademarks must be approved by MICEI. Licence agreements for the importation of foreign trademarks cannot contain instructive clauses. A trademark registration is valid for 20 years, subject to renewal; each renewal lasts 15 years. Patent protection can last from 3 to 12 years.

Countertrade

Countertrade transactions, both in private and government-to-government business, are becoming increasingly common given Ecuador's balance of payments difficulties as well as liquidity problems in foreign currency. However, the country in general is not experienced in countertrade procedures. Thus, even though the countertrade option is attractive in many cases, business people are still reluctant to become involved in this process.