

# Ecuador

Western Hemisphere / **South America**

<b>CAPITAL</b> Quito	<b>TERRITORY</b> 248,360 km <sup>2</sup>	<b>POPULATION (2020)</b> 17,643,060.00	<b>GDP TOTAL (2020)</b> \$98.81B USD	<b>GDP PER CAPITA (2020)</b> \$5,600.38 USD	<b>INCOME GROUP</b> Upper middle income
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## Convention Implementation



In progress

15<sup>th</sup> of 31 western hemisphere  
7<sup>th</sup> of 12 South American countries

### Prevention



In progress

### Criminalization and law enforcement

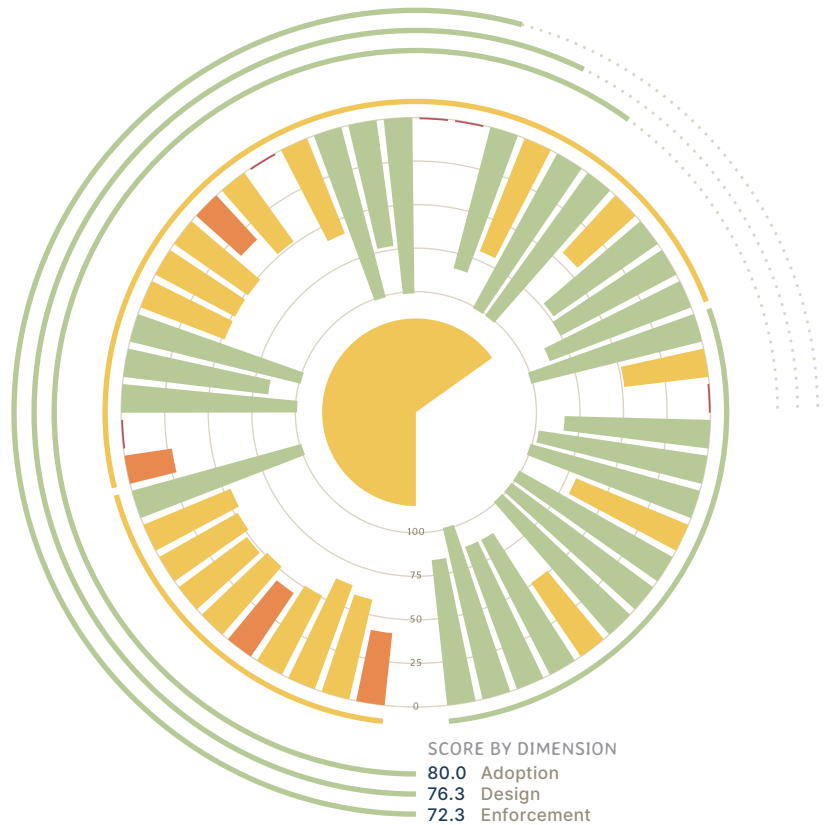


In progress

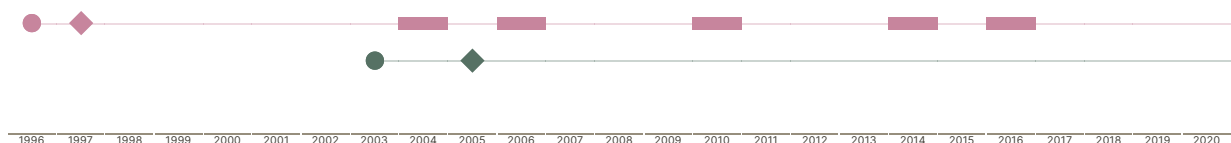
### International cooperation



Implemented



## Anti-corruption conventions timeline



### CONVENTIONS

- IACAC - Inter-American Convention Against Corruption
- UNCAC - United Nations Convention against Corruption
- OECD Anti-Bribery Convention

### KEY EVENTS

- Signed
- Ratified/acceded
- Review rounds

# Prevention

In progress

## 55.6

✓ Adoption 82.5   ✎ Design 80.0   ⌚ Enforcement 63.3

<b>Standards of Conduct</b> Core-deficient <b>40.6</b> ✓ 75.0 ✎ 66.7 ⌚ 50.0	<b>Enforcement of Standards of Conduct</b> In progress <b>57.8</b> ✓ 100.0 ✎ 100.0 ⌚ 50.0	<b>Training of Public Officials</b> In progress <b>62.5</b> ✓ 100.0 ✎ 83.3 ⌚ 66.7	<b>Asset and Conflicts of Interests Declarations</b> In progress <b>50.0</b> ✓ 25.0 ✎ 83.3 ⌚ 66.7	<b>Transparency in Government Contracting</b> Core-deficient <b>43.0</b> ✓ 50.0 ✎ 50.0 ⌚ 83.3
<b>Elimination of Favorable Tax Treatment</b> In progress <b>50.8</b> ✓ 100.0 ✎ 83.3 ⌚ 50.0	<b>Oversight Bodies</b> In progress <b>47.7</b> ✓ 75.0 ✎ 83.3 ⌚ 50.0	<b>Measures to Deter Domestic and Foreign Bribery</b> In progress <b>50.8</b> ✓ 100.0 ✎ 83.3 ⌚ 50.0	<b>Encouraging Participation by Civil Society</b> In progress <b>53.1</b> ✓ 100.0 ✎ 66.7 ⌚ 66.7	<b>Study of Other Preventive Measures Implemented</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0

# Criminalization and law enforcement

In progress

## 60.0

✓ Adoption 78.0   ✎ Design 67.3   ⌚ Enforcement 69.3

<b>Protection of Those who Report Acts of Corruption</b> Core-deficient <b>26.6</b> ✓ 75.0 ✎ 33.3 ⌚ 50.0	<b>Scope</b> No implementation <b>0.0</b> ✓ 0.0 ✎ 0.0 ⌚ 0.0	<b>Jurisdiction: Offense-in-Territory</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0	<b>Jurisdiction: Offense-by-National</b> Implemented <b>82.8</b> ✓ 75.0 ✎ 83.3 ⌚ 100.0	<b>Jurisdiction: Offender-in-Territory</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0
<b>Passive Public Bribery</b> In progress <b>50.8</b> ✓ 100.0 ✎ 83.3 ⌚ 50.0	<b>Active Public Bribery</b> In progress <b>50.8</b> ✓ 100.0 ✎ 83.3 ⌚ 50.0	<b>Abuse of Functions</b> In progress <b>50.8</b> ✓ 100.0 ✎ 83.3 ⌚ 50.0	<b>Money Laundering</b> Core-deficient <b>33.6</b> ✓ 75.0 ✎ 50.0 ⌚ 50.0	<b>Participation and Attempt</b> In progress <b>47.7</b> ✓ 75.0 ✎ 83.3 ⌚ 50.0
<b>Active Foreign Bribery</b> No implementation <b>0.0</b> ✓ 0.0 ✎ 0.0 ⌚ 0.0	<b>Illicit Enrichment</b> In progress <b>57.8</b> ✓ 100.0 ✎ 100.0 ⌚ 50.0	<b>Use of State Property</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0	<b>Illicit Acquisition of a Benefit</b> In progress <b>71.9</b> ✓ 100.0 ✎ 66.7 ⌚ 100.0	<b>Public Embezzlement</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0
<b>Passive Foreign Bribery</b> No implementation <b>0.0</b> ✓ 0.0 ✎ 0.0 ⌚ 0.0	<b>Private Bribery</b> No implementation <b>0.0</b> ✓ 0.0 ✎ 0.0 ⌚ 0.0	<b>Private Embezzlement</b> Implemented <b>82.8</b> ✓ 75.0 ✎ 83.3 ⌚ 100.0	<b>Obstruction of Justice</b> In progress <b>68.8</b> ✓ 75.0 ✎ 66.7 ⌚ 100.0	<b>Liability of Legal Persons</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0
<b>Statute of Limitations</b> Implemented <b>100.0</b> ✓ 100.0 ✎ 100.0 ⌚ 100.0	<b>Prosecution, Adjudication and Sanctions</b> Core-deficient <b>43.8</b> ✓ 100.0 ✎ 33.3 ⌚ 100.0	<b>Consequences and Compensation</b> In progress <b>71.9</b> ✓ 100.0 ✎ 66.7 ⌚ 100.0	<b>Cooperation With Law Enforcement</b> Implemented <b>74.2</b> ✓ 100.0 ✎ 83.3 ⌚ 83.3	<b>Asset Recovery</b> Implemented <b>85.9</b> ✓ 100.0 ✎ 83.3 ⌚ 100.0

# International cooperation

Implemented

## 80.1

✓ Adoption 81.7   ✎ Design 88.9   🔄 Enforcement 83.3

**Assistance Without Criminalization**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

**Inclusion in Extradition Treaties**  
In progress  
**47.7**  
✓ 75.0 ✎ 83.3 🔄 50.0

**Convention as Legal Basis for Extradition**  
No implementation  
**0.0**  
✓ 0.0 ✎ 0.0 🔄 0.0

**Automatic Application Without Treaty**  
Implemented  
**82.8**  
✓ 75.0 ✎ 100.0 🔄 83.3

**Prosecution Without Extradition**  
Implemented  
**96.9**  
✓ 75.0 ✎ 100.0 🔄 100.0

**Custody**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

**Assistance**  
In progress  
**68.8**  
✓ 75.0 ✎ 100.0 🔄 66.7

**Impossibility of Claiming Bank Secrecy**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

**Limited Use of Information**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

**Nature of Act**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

**Designate Central Authorities**  
In progress  
**50.0**  
✓ 50.0 ✎ 50.0 🔄 100.0

**Responsibilities of Central Authorities**  
Implemented  
**85.9**  
✓ 100.0 ✎ 100.0 🔄 83.3

**Communication Between Central Authorities**  
Implemented  
**85.9**  
✓ 100.0 ✎ 100.0 🔄 83.3

**Special Investigative Techniques**  
Implemented  
**100.0**  
✓ 100.0 ✎ 100.0 🔄 100.0

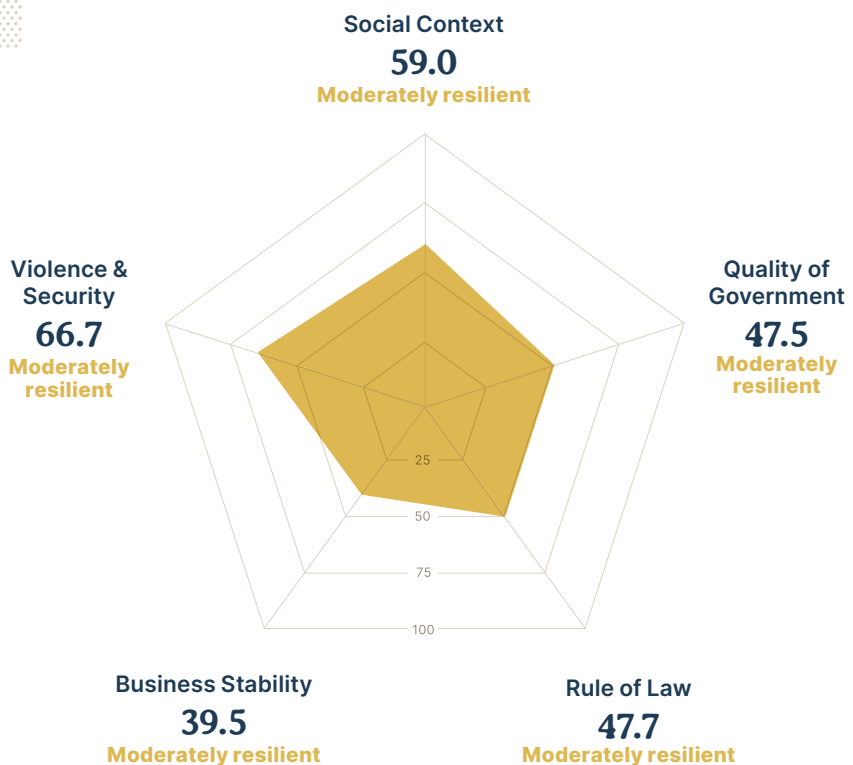
**Technical Cooperation**  
Implemented  
**82.8**  
✓ 75.0 ✎ 100.0 🔄 83.3

# Corruption Resilience

## 52.1

Moderately resilient

22<sup>nd</sup> of 31 western hemisphere  
9<sup>th</sup> of 12 South American countries



# Analysis

## Convention Implementation

Ecuador signed the Inter-American Convention Against Corruption (IACAC) on March 29, 1996, and ratified it on May 26, 1997. It is a State Party to the Follow-Up Mechanism for the Implementation of the Inter-American Convention against Corruption (MESICIC) since June 4, 2001. The country also signed the United Nations Convention Against Corruption (UNCAC) on December 10, 2003, and subsequently ratified it on September 15, 2005. Accordingly, Ecuador has undergone five rounds of review under MESICIC, and one round of review under the UNCAC review mechanism.

Ecuador's record in implementing its commitments to IACAC and UNCAC exhibits a number of successes and a few failures. With an overall score of 65.1, the measures adopted place the country at the middle point of compliance with international norms, surrounded by Panama (63.5), Jamaica (65.1), Uruguay (66.1), and Honduras (66.6). Despite achieving higher success in regard to criminalization and international cooperation (as is the case throughout the region) the majority of preventive measures are found to be in progress or implemented while most failures pertain to criminalization and law enforcement. Consequently, a degree of progress is found in all three sections—albeit with an emphasis on international cooperation.

The prevention of corruption is undergoing, classified as “in progress” by its average score and with prominent measures given a score of 50 or above—systems for registering asset and conflict of interests’ declarations, the initiatives to encourage the participation of civil society, and the enforcement of standards of conduct, among others. Indeed, almost three quarters of all preventive measures are considered to be in progress, and the study of preventive measures related to equitable compensation is considered to be fully implemented. Within this section, only two measures fail to achieve sufficient progress—the adoption of standards of conduct (40.6) and transparency of government contracting (43.0). These measures represent only one quarter of all “core-deficient” or unimplemented scores given to Ecuador’s implementation of international commitments, again reflecting the generally satisfactory distribution of progress.

In terms of criminalization and law enforcement, Ecuador shows slightly better results than those regarding prevention—yet, significant deficiencies remain, with over a quarter of all measures within this section classified as core-deficient or not implemented. The country is found to have successfully implemented a number of commitments, including significant ones pertaining to embezzlement in the

public and private sectors and the liability of legal persons. However, key measures are found completely lacking—the criminalization of active and passive foreign bribery and bribery in the private sector—or found deficient, including the protection of those who report acts of corruption (i.e., whistleblower protection) and the express punishment of money laundering. Regarding the above-mentioned lack of standards on foreign bribery, the third round of MESICIC concluded that “in the absence of provisions related to transnational bribery in Ecuador, the Committee considers that the country under review could benefit from the adoption of a law on international cooperation, in order to comply with [its commitment]”. Other measures, such as active and passive bribery in the public sector and the abuse of function, among several others, are found in progress due to limitations in their legal features and “confusing” results (as reported by MESICIC).

Finally, Ecuador is found mostly compliant in its commitments to establish jurisdiction over the offenses covered by the conventions, including those that have been committed inside its territory, committed by a national, or when the offender is present in its territory, among other required forms. However, the UNCAC review mechanism reports that “Ecuador has not established its jurisdiction over offenses committed against the State”. Furthermore, it is worth highlighting that the country does not recognize UNCAC as a legal basis for extradition and requires dual criminality. That being said, the generally positive evaluation of the country’s implementation of its commitments regarding international cooperation is reflected in over two thirds of all measures within this section receiving an “implemented” score.

## Corruption Resilience

Ecuador’s social context score declined by 1.3 points from 2019, resulting in a score of 59.0 which falls 5.9 points below the Western Hemisphere average of 64.9. Despite scoring below the regional average, Ecuador’s score has steadily improved since 2017, following the election of President Moreno. During this period and subsequent years (2018, 2019), the freedom of media indicator began to improve by approximately 5-point increments. In contrast, during the presidency of Rafael Correa (2007-2017), the country’s media—particularly those who were critical of the administration—faced serious challenges.

With respect to the quality of government indicators, in 2020, Ecuador had a marginal increase in its score from the previous year by 1.4 points. Ecuador’s quality of government indicator has had substantial

improvements from 2010 to 2020, increasing by a total of 3.06 points. However, despite this improvement, Ecuador remains ranked within the lowest percentile of the Western Hemisphere countries. The country's score is attributed to its flawed democracy, which has had democratic backsliding since 2007. In short, the country faces serious challenges concerning representative government, fundamental rights, checks on government, and impartial administration. Corruption continues to pose serious problems for the government.

Since 2010, Ecuador's rule of law has been increasing sustainably and the country has had a 14.9-point increase from 2010 to 2020. Despite Ecuador's improvements, it has yet to reach the threshold for the region's 2020 average (51.1). During President Correa's administration, the country's courts faced serious threats to their autonomy. However, since the election

of Lenín Moreno in 2017, the court's autonomy has gradually been restored. In the following year, the 2018 referendum—initiated by President Moreno—reorganized the transitional Council of Citizens Participation and Social Control (CPCCS) to ensure judicial integrity in the country's courts. Since 2018, the CPCCS has dismissed 19 judges.

In 2020, Ecuador's business stability indicator score (39.5) rose by 1.2 points from the preceding year. The country's business stability indicator ranks within the lower percentile for the region, where its score falls 11.0 points below the regional average for 2020. Ecuador's low score is attributed to years of corruption. Ecuador's violence and security indicators was 66.7, which increased from the preceding year by 7.3 points. Compared to its regional counterparts, Ecuador's score is in the upper percentile.

# Transparency

MAIN REPORTING NGO

## Fundación Ciudadanía y Desarrollo (FCD)

REPORT DATE	REVIEW YEAR	DOCUMENT REVIEWED	LANGUAGE
Nov-2020	2019-2020	Full Report	Spanish

**Did the government make public the contact details for the country focal point?** ✘ No

**Was civil society consulted in preparation for the self-assessment?** ✘ No

**Was civil society invited to provide information to the official reviewers?** ✘ No

**Was the self-assessment published online or provided to CSOs?** ✘ No

*Assessment of the Review Process Civil Society Parallel Reports*

Source: UNCAC CIVIL SOCIETY COALITION

Ecuador's civil society parallel review report was authored by the Fundación Ciudadanía y Desarrollo (Citizenship and Development Foundation), a partner organization of Transparency International, based on information gathered during the period between 2019 and 2020. The report assessed the country's compliance with articles in chapters II and V of UNCAC, namely articles 5-14 and 51-59. The lack of available information posed a significant obstacle in preparing the report, as limited information on public policies, reports, statistics, and programs on corruption prevention were published by institutions. The remaining data was solicited through public information requests, 75% of which were either unanswered or denied. Instead, interviews were conducted with state and non-state actors.

In terms of the legal framework, the majority of UNCAC articles assessed remain partially implemented (articles 5, 7, 8, 10, 12, 13, 14, 52, 53, 54, 55, 56, 58, 59) while only four categories have been sufficiently integrated (articles 6, 7.1, 9.1, and 9.2). Similarly, the status of enforcement in practice is predominantly poor or moderate. Only articles 9.1 and 9.2 have been reviewed as having good enforcement. The report concluded with several priority recommendations, namely the creation of a national plan to prevent and fight corruption inclusive of government officials and non-state actors, the publication of all public policies and their implementation, the adoption of measures to ensure transparency, the development of regulatory policies for financial technologies, the adoption of regulations to facilitate asset recovery, the improvement of coordination efforts among state bodies, and lastly, the development of minimum standards for public codes of conduct, among others.