The volatility of oil prices is threatening the sustainability of public finances

As a share of GDP, fiscal revenues from non-renewable natural resources (NRNR) decreased by 1.3 percentage points to 10.8% in 2014, the second-sharpest reduction in the region. As a consequence, in 2014, Ecuador reported the fourth largest budget deficit in the LAC region (5.3% of GDP), which was higher than both the LAC regional average (4.5%) and the OECD average (3.7%). Maintaining government spending on social programs while ensuring the sustainability of public finances will be a challenge for Ecuador in the coming years.

Chapter 2: Public Finance and Economics

2.11. Fiscal revenues from non-renewable natural resources as a percentage of GDP, 2013 and 2014

Ecuador has achieved significant progress in human resources (HR) planning of the public sector

Ecuador achieved the second-largest increase in the region on the HR planning index score, from 20/100 to 53/100 between 2004 and 2011, significantly above the average regional increase (from 31/100 to 42/100). Among other things, the index measures an organisation’s priorities and strategic orientation as a way to determine staffing needs, personnel information systems, degree of over/understaffing per institution, personnel technical skills, etc. Ecuador made this progress primarily by strengthening the use of HR planning tools, improving personnel information systems and increasing the qualification level of government staff. However, more needs to be done to ensure real strategic thinking in HR planning by focusing on forecasting the right mix of employee skills that will be needed to respond to citizens’ demands.

Chapter 6: Human Resources Management


Ecuador actively supports micro, small, medium-sized and women-owned enterprises through public procurement and is one of the few LAC countries that also measure the results of these policies

In 2015, Ecuador had policies to support procurement from micro, small and medium-sized enterprises (MSMEs), women-owned enterprises, and to promote procurement of innovative goods and services. Among the LAC countries that support procurement from MSMEs and women-owned enterprises, Ecuador is among those few that actually measure the results of these policies.

Chapter 9: Public procurement

9.5. Development of strategic public procurement by objective, 2015
**GOVERNMENT INPUTS: FINANCIAL AND HUMAN RESOURCES**

### Public Finance and Economics

- % of GDP

- **Ecuador**
  - 2014: 34.0%
  - 2015: 38.7%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

- % of GDP

- **Ecuador**
  - 2014: 39.3%
  - 2015: 44.0%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

#### Government investment (2014)
- % of GDP

- **Ecuador**
  - 2014: 33.1%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

- % of GDP

- **Ecuador**
  - 2014: 2.6%
  - 2015: 2.6%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

### Fiscal balance (2014, 2015)
- % of GDP

- **Ecuador**
  - 2014: -5.3%
  - 2015: -5.3%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

### Breakdown of tax revenues (2014) *
- % of total taxation

- **Ecuador**
  - Goods and services: 24.6%
  - Income and profits: 53.0%
  - Social security: 16.4%
  - Other: 49.5%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

### Public Employment and Compensation

#### Public sector employment as % of total employment (2014) *

- **Ecuador**
  - 2014: 9.3%
  - 2015: 12.0%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

#### Public sector employment filled by women (2014) *

- **Ecuador**
  - 2014: 44.2%
  - 2015: 50.3%

- **Average of LAC country values in grey**
- **Average of OECD country values in blue**
- **Average of LAC country values in purple**

* Source: International Labour Organization (database). * See Notes
**Governance Processes**

### Government Institutions

**Level of influence of the Centre of Government over line ministries (2015)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

Ecuador: 33% High, 47% Moderate, 20% Low

*Source: OECD 2015 Survey on Centre of Government*

**iREG: Composite indicator on stakeholder engagement (2015)**

The max. score for each category is 1, and the max. aggregate score for the composite is 4

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>1.02</td>
</tr>
</tbody>
</table>

*Source: OECD Indicators of Regulatory Policy and Governance for Latin America*

### Public Procurement

**Development of strategic public procurement by objective (2015)**

<table>
<thead>
<tr>
<th>Support to</th>
<th>Green public procurement</th>
<th>MSMEs</th>
<th>Procure innovative goods and services</th>
<th>Women owned enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>6 12 0 6</td>
<td>4 19 0 1</td>
<td>2 12 0 8</td>
<td>1 3 0 16</td>
</tr>
</tbody>
</table>

*Source: 2015 OECD Survey on Public Procurement*

### Digital Government

**Existence of a main national citizens portal for government services and a legally recognised digital identification mechanism (2015)**

<table>
<thead>
<tr>
<th>Service</th>
<th>Portal</th>
<th>Digital Identification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>Yes</td>
<td>61%</td>
</tr>
</tbody>
</table>

*Source: OECD Survey on digital government performance*

**OURdata Index: Open, Useful, Reusable Government Data (2016)**

Composite index from 0 (lowest) to 1 (highest)

<table>
<thead>
<tr>
<th>Country</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>0.44</td>
</tr>
</tbody>
</table>

*Source: 2016 OECD Survey on Open Government Data*
GOVERNMENT PROCESSES

Health Financing Systems And Budget Formulation

Health care financing schemes and percentage of population covered (2015) *

Gini coefficient: Differences in income inequality pre and post-tax and government transfers (2012)

Notes

* Tax revenues for Ecuador exclude local government revenues. Public sector employment as % of total employment and public sector employment filled by women data for Ecuador are for 2013. Costs of goods and services financed by general government and are not included in government procurement because they are not accounted separately in the IMF Government Finance Statistics (database). Information on social health insurances coverage for Ecuador was obtained from: Datos Esenciales de Salud una Mirada a la década 2000-2010. Ministry of Health of Ecuador.

For more information on the data (including full methodology and figure notes) and to consult all other Country Fact Sheets:

The Excel spreadsheets used to create the tables and figures in Government at a Glance: Latin America and the Caribbean 2017 are available via the Stat-Links provided throughout the publication: http://dx.doi.org/10.1787/9789264265554-en

Government at a Glance: Latin America and the Caribbean 2017

Government at a Glance: Latin America and the Caribbean 2017 is the second edition of a joint publication between the Organization for Economic Co-operation and Development (OECD) and the Inter-American Development Bank (IDB). It provides readers with a dashboard of key indicators to inform policy making and benchmark specific interventions. The model is the OECD Government at a Glance, which is a fundamental reference, backed by a well-established methodology for OECD member countries. Compared to the previous edition that had a special focus on Public Financial Management and alongside with indicators on public finances and public employment this second version covers a wider range of public management areas including the role and influence of the Centre of Government, Open Government and Open Data policies, Digital Government, Regulatory Governance and practices for Budgeting in health systems.