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Ecuador's Incoming Government Faces Difficult Choices Regarding China

With Daniel Noboa returning to the presidency and a new Chinese ambassador on the way, China-Ecuador relations are at an inflection point.

By **R. Evan Ellis**

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Viviana Veloz, then the first vice president of the National Assembly of Ecuador, receives Chinese Ambassador to Ecuador Chen Gouyou, and Wang Yulin, director general for Latin America and the Caribbean of the International Department of the Central Committee of the CCP, Sep. 30 ,2024.

Credit: [Fernando Sandoval/National Assembly of Ecuador](#)

From April 22-25, I had the opportunity to travel to Quito, Ecuador, to address an international forum on China and Latin America, held by the prestigious [San Francisco of Quito](#) University and [FLACSO Ecuador](#). My participation in the event also enabled me to speak with colleagues from across the region on Beijing's activities in Ecuador and the rest of the region.

The event itself showcased China's advance in Ecuador, not only in commerce, but also in other domains, and in the aggressiveness with which Beijing asserts its interests in the country. Unlike many China-financed platforms, the Quito forum included a range of both positive and critical perspectives about China's relationship with the region.

Because the forum was not limited solely to pro-China speakers and talking points, in the weeks leading up to the event, the Chinese embassy in Quito reached out to both of the Ecuadorian institutional hosts, trying to

convince them to cancel it. To their credit, both institutions defended their right to academic freedom and integrity in holding the event. China then went further, working through social media to convince some invited presenters not to participate.

The timing of the Quito forum was propitious, occurring at an inflection point in the Ecuador-China relationship. Just 10 days before the event, Ecuadorian President Daniel Noboa [won an 11-point victory](#) over Luisa Gonzalez in the second round of national elections. Chinese President Xi Jinping was reportedly among the first international leaders to [congratulate Noboa](#) on his victory.

As the forum took place, Noboa's National Democratic Party, which had [won 66 seats](#) in the first round of the election in February, and its rival, the Citizen Revolution (RC) party, which had [won 67 seats](#), were negotiating with the parties [who had won the other 18](#) seats over who would control the 151-seat expanded National Assembly.

With the seating of the new parliament on May 14 and the formal beginning of Noboa's new term will come committee assignments for the legislative body, as well as the new membership of the China Friendship Caucus, the principal vehicle for China's influence

within the National Assembly, headed during the outgoing Congress by [RC activist Silvia Nunez Ramos](#).

Meanwhile, on the Chinese side, [Ambassador Chen Guoyou](#) is finishing his assignment to Ecuador. His actions in his final weeks were notably more aggressive than during the rest of his five years in the post. This included not only the previously noted attempt to intimidate Ecuadorian institutions and academics over the conference, but also reproaches of Ecuadorian officials for [how they characterized members of the Taiwan Commercial Representative Office](#) who were providing important services for communities in need. It is unclear whether such aggression is a harbinger for the posture of whoever will replace Chen as China's emissary in Ecuador.

The Noboa government has strongly allied itself with the United States, including a March 2025 visit by Noboa and his wife [to Mar-a-Lago for a meeting with U.S. President Donald Trump](#). Nonetheless, although Noboa has [restrained some aspects of Ecuador's engagement](#) with China as part of that alignment, Beijing's activity in the economic, military, and other domains in Ecuador is strong and [continues to grow](#).

In the military domain, Ecuador continues to send officers to the six-month Command and General staff course and a logistics program in China under an umbrella [cooperation agreement](#) it signed during the presidency of anti-U.S. populist Rafael Correa. Doctors from the People's Liberation Army (PLA) formerly also had a presence in Ecuador's military hospital within the framework of that agreement, practicing acupuncture and other traditional Chinese medicine. Their presence ended with the return of a more pro-U.S. government to power in Ecuador.

Despite the Noboa government's close security relationship with the U.S., the PLA has an unusually large contingent of five officers in its diplomatic mission in Ecuador, led by senior defense attaché [Colonel Liu Yijian](#). Ecuador's incoming army head, General Henry Delgado Salvador, [spent a year in](#)

[Nanjing for a Command and Staff course](#) and is reportedly very pro-China, although he has also attended U.S. defense programs. Delgado's receptivity to China potentially creates an opportunity for Liu to expand PLA activities with the Ecuadorian Army, if permitted by Noboa and Ecuadorian Defense Minister [Gian Carlo Loffredo](#).

In the commercial domain, China has a significant presence in Ecuador's oil, mining, digital, automotive, and other sectors, with opportunities to expand them.

Petroecuador and a number of supporting Chinese petroleum service companies have had a significant presence in the country since China National Petroleum Corporation acquired the Canadian firm EnCana and [formed the Andes Petroleum consortium](#) in February 2006. As the 2025 election approached, China, through Sinopec, sought to expand that presence with an upfront payment of \$1.5 billion to take over Ecuador's most productive oilfield, [Sacha Block 60](#). Its subsidiary, the Amodaimi Oil Company, is allegedly tied to the [El Ordeño oil company](#) of the Noboa Group. Although the deal was stalled when Sinopec [didn't make the payment](#) by the March 11, 2025 cutoff date, it may still be a contender to acquire the field at a lower

price within several months if other buyers do not materialize.

In the mining sector, China-based companies operate the large [Mirador mine in the province of Zamora-Chinchipe](#), among others. Last month, the Chinese conglomerate CMOC acquired an interest in the Cangrejos mine in the Ecuadorian province of El Oro through the [\\$421 million acquisition of the Canadian company Lumina Gold](#), which had done the engineering and other preliminary work for the development of the mine. The new Chinese-owned project could become one of Ecuador's biggest mines. However, it is located in an area with significant informal mining activity, creating the risk that CMOC will be challenged by violence and illicit activity. That happened with the Burtica mine, which the [Chinese firm Zijin](#) operated in Antioquia, Colombia.

Eclipsing the plans for Cangrejos, last month, China's Jiangxi Copper acquired a stake [in the Australian company SolGold](#), which operates the Cascabel mine in Imbabura. Jianxi plans to invest \$4.2 billion in Cangrejos, which would make it the [biggest mining operation in Ecuador](#).

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In Ecuador's digital domain, Huawei has a [significant and longstanding presence](#), including cloud services and being the almost exclusive supplier to the government telecommunications provider CNT. China-based Xiaomi, Oppo, and XTE also are well established in the market. [Hikvision, Dahua, and EzViz](#) are important suppliers in the commercial and private video surveillance and security systems market, raising questions regarding access to the video, biometric, and other data for Ecuadorian homes, companies, and government offices uploaded to their servers.

The ECU-911 national security system, [built by China for the Ecuadorian government](#), is currently under the control of the national intelligence service CIES. The Chinese company CEIEC, which [provided equipment and services](#), lost the contract due to performance issues and security concerns.

The cameras and other components of the system are now aging and need replacement. The Ecuadorian government is currently looking to firms from the United States and other countries to repair and upgrade the system.

In the automotive sector, 40 percent of Ecuadorian cars are Chinese, including those produced at a [local assembly facility in Ambato](#). Major suppliers include the Vasconcelos family, whose organization Ambacar [sells vehicles](#) from Great Wall, Shineray, and FAW, as well as the powerful Cuenca-based Juri family whose AsiaCar has included Chinese cars in addition to its Korean offerings. BYD is introducing hybrid gasoline electric vehicles into the country, although its ability to sell strictly electric vehicles is limited by supporting infrastructure.

In infrastructure construction, China's advance has been limited by the disastrous performance of a number of its companies on contracts negotiated during the Correa era. For example, the Coca Coda Sinclair dam has [tens of thousands of structural cracks](#) and [numerous other defects](#) that prevent it from being used at more than half capacity, and could [cause the facility to collapse or become unusable](#) as early as 2026. China continues to

seek an agreement with Ecuador in which it would [maintain and repair and take over operation](#) of the facility, in exchange for release from broader liability claims.

[Puentes y Calzadas](#), a subsidiary of China Road and Bridge Corporation (CRBC), is building a new [\\$52.2 million megaprison](#) for the government in Santa Elena, Ecuador. Another prison, Archedona, also to have been built by CRBC in Tena, in the Ecuadorian Amazon, was blocked due to [protests by local communities](#) who feared that housing prisoners there would bring crime to the region.

Ecuador and China signed a [free trade agreement in May 2023](#), which was criticized for the rapid pace of negotiations. Since then, Ecuador has had limited success increasing its [exports of shrimp](#) and [bananas to China](#). Indeed, with respect to bananas, the principal business of the family of Noboa, China is only the country's fifth largest market.

At the same time, the Chinese deepwater fishing fleet continues to conduct [illegal fishing operations off Ecuador's Pacific](#) coast near the Galapagos islands. These illegal activities peak each year between July and September when colder currents dominate the area. Illicit activities by Chinese fishing boats continue to challenge the Ecuadorian

Navy and [negatively impact Ecuadorian communities](#) that depend on fishing for their livelihood.

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The China-Ecuador Business Council, through its size and composition, showcases the extent to of China's influence: virtually all of Ecuador's major business groupings are involved in business with China, including those of Noboa's own family. The organization's new head [since April of this year, Magaly Caicedo](#), is the head of the import-export oriented Asia Shipping Ecuador. She replaced [Gustavo Caseres](#), who reportedly represented the [interests of the Wong Group](#), allied with the Noboa Group in the export of bananas to China. The Chinese construction firm CAMCE is also represented on the council through its country manager. [Daniel LaGuardia](#), minister of production during the

conservative government of Guillermo Lasso, is [also on the council](#).

The recent forum in Quito, and its participants, illustrate how China's ties with Ecuador continue to expand in the academic and media domains. The prestigious San Francisco of Quito University, co-host of the forum, in 2006 established one of the first graduate-level China studies programs in the region, and in 2010, established Ecuador's [only Confucius Institute](#). Ecuador's University of the Americas signed a cooperation agreement [with the Chinese firm Huawei](#) in November 2018. In March 2025, [Ecuador's Central University similarly signed](#) an agreement for language instruction [with the Technological University of Chengdu](#).

Beyond formal cooperation agreements with China, FLACSO Ecuador, the co-host of the China forum, has a number of China scholars such as [Cintia Quiliconi](#). According to several sources I spoke to, [Milton Reyes](#) of the Institute of Higher National Studies, was invited to present in the event but declined, possibly due to Beijing's pressure. The Chinese embassy's attempts to undermine the forum further illustrate China's growing links to Ecuador's academic community.

For the United States, the China-Latin America forum arguably illustrated that the best U.S. posture toward China's advance in Ecuador is not to oblige its neighbors to choose between the U.S. and China, but to encourage transparency, strong institutions, the universal application of the rule of law in commercial engagements, and a balanced discourse about both the potential benefits and risks arising from interactions with China. In the face of a China that is behaving increasingly aggressively toward the rights of its partners to sovereign decision and expression, doing so is arguably the best way to differentiate the U.S. as the partner of choice.

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