



Ecuador Digest

with **Dan Prescher**
and Donna Stiteler



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Introduction

Welcome to the latest edition of your quarterly *Ecuador Digest*. In this edition, I sit down with Donna Stiteler to discuss the current news updates in Ecuador.

Donna tells me about the country's fascinating New Year traditions. Children march down the street dressed as angels during the Paseo de Nina festival which attracts hundreds of thousands of people from across different *barrios*. Small fires can be spotted on every corner as locals and visitors alike burn effigies on which they've written down any bad events from the previous year. Twelve grapes are eaten within the first minute after midnight and yellow and red underwear are worn to bring love and prosperity in the new year. Despite COVID, Ecuadorians found a way to keep these traditions alive this year and fireworks lit the sky to welcome 2022. Tune in to hear more about why Ecuador is such a popular New Year destination.

COVID restrictions continue to be a part of life in Ecuador and Donna discusses the mandates in place to keep the country safe. Masks and social distancing have been a feature since the start of the pandemic and a vaccination cert must be presented to enter restaurants and stores. A negative PCR test is also now required to enter the country, a rule change which came into effect while Donna was mid-air on a flight from the U.S. to Ecuador! The precautions are paying off though, with infection levels near pre-pandemic levels. Hear more about how Ecuador is handling the pandemic when you tune in now.

Donna also talks about an exciting visa update. A temporary visa only allows the visa holder to be out of the country for 90 days of the year in order to qualify. This 90-day requirement can be a deal-breaker for some people worried about needing to travel home often. But now the investment visa has been updated to allow visa holders to travel in and out of Ecuador an unlimited number of days. To avail of this visa, an investment needs to be made in the country worth 80% of the minimum wage, or approximately \$42,000. Watch the video to find out how the investment visa presents a great opportunity for anyone who would regularly need to travel out of the country. And it can be converted to a permanent visa in the future.

Hear more about these current updates when you tune in to your latest quarterly *Ecuador Digest*.

Happy watching!

Dan Prescher



For *Ecuador Digest*

Dan

Donna, thank you for joining me for the quarterly update for Ecuador and Happy New Year. What were the holidays like where you are? Bring us up to date, because I know that there are some pretty interesting and specific things that Ecuadorians do during their holidays. And the expat community has their own traditions, right?

Donna

I love the holidays here because they're not about buying a bunch of gifts for the kids. It's a religious holiday. And it's where people visit because it's great fun. One of the traditions that I love is the El Paseo de Nina parade, which attracts hundreds of thousands of people from all the different *barrios*. Children are dressed up as angels and they march down the street. The parade is eight-hours long and it goes on until mid-February because every child wants to have that experience.

There's also the effigy burning tradition. On your effigy, you write down all the bad things that happened in the past year and then burn it. Another tradition is the twelve grapes, which you must eat within a minute at the start midnight. And the red underwear/ yellow underwear tradition is where you wear either color depending on whether you wish for love or prosperity in the next year. It's just a wild time and you can find little effigy burnings on every corner.

This year was a little different because of COVID but we did have the Paseo de Nina. It wasn't as long and there wasn't meant to be dancers on the street—but this is Ecuador. There are always dancers on the street.

And I burned my effigy and noticed little fires happening in my neighborhood where other people were keeping up the tradition. And at midnight we had incredible fireworks that just lit up the town.

I used to fall asleep at 9 p.m every New Year's. I joke that I didn't even know Ryan Seacrest had been hosting the New Year's celebration for 15 years. So, I was totally renewed by the fact that Ecuador could keep its traditions alive even during a pandemic. Sure, there weren't as many people on the streets and people are very mindful of COVID, but Ecuador is coming back. You don't sleep through the fireworks at midnight, that's for sure.

Dan

Let's talk about the government's reaction to COVID, especially during the last quarter of 2021 and going into 2022. What's new there on the ground?

Donna

Well, I credit the Ecuadorian government for being brave enough to put down mandates that really protect us. We've always used masks. We've always had social distancing. It's a very pro-vaccine country and I think that people here understand that vaccines can have value—they've been through a measles epidemic that nearly wiped the kids out. About 77% of the population, including kids aged five and up have gotten two vaccine doses with the goal of reaching 85% by the end of February.

The country is heading towards herd immunity, and getting there because everybody's doing what they should be doing at 75% vaccinated. The death rate on the day of January 1, was under 50 deaths in the country, which actually registers as zero, so we're making great progress here.

We are also implementing very strict codes. You have to show your vaccination card to get into any restaurant, any store, including the big grocery stores like Super Maxi. The combined effort of getting everyone vaccinated and the mandates has benefited us because now we're almost at pre-pandemic levels.

But things are still cautious. When I was mid-air on a flight from the U.S. to Ecuador recently, the entry rules changed and a PCR test was now required to enter the country, not just vaccinations. A bunch of us arrived at the airport after this rule change but the airport was prepared. They gave us a PCR test as soon as we landed and we could leave the airport once it came back negative. All of these precautions have led us to the success we now have.

The other thing that helps is the people here. They are the most considerate people I've probably ever met in my life.

Dan

There's a feeling of community there. Community means an awful lot to Ecuadorians and they're proud to be Ecuadorian. They're proud to be members of their communities, proud to be members of their Indigenous groups. They're very community minded. So, it doesn't surprise me at all that you're having good luck.

Donna

You're right. I think the older you get, the more you appreciate community. And the Ecuadorians are a role model for community. They still live in big family homes. They're very attached to their families. It's a sustainable country because we grow most of our own food. We don't have some of those fears about whether there's any toilet paper left in the grocery store. Plus, there's a good expat community here.

I have to credit the Ecuadorian people. They tackled COVID strategically. They got caught out early on in the pandemic of not knowing what to do, but now they'll clamp down even when a plane is in midair.

Dan

When you have to act, you have to act. And there was a time back in the early days of the pandemic when Guayaquil was hit very hard, and the coastal areas were hit very hard.

Donna

I credit President Lasso for a lot of our recovery, he was headstrong. We can't get well as a country unless we tackle this. Of course, there are some bumps. Not everything's open. And the community likes to party together.

Dan

Social distancing can be a challenge. It makes your vaccination card pretty important.

Donna

I have to carry it with me everywhere now. But it seems to be working.

Dan

Well, it changes day by day. Nobody knows what tomorrow is going to bring.

I want to ask you about another top involving investor visa changes. Tell me what's going on there.

Donna

Well, first of all, the visa laws change as quickly as the stock market here. You never know what's going to happen. With a temporary visa, you can only be out of the country for 90 days each year. And you need to have a temporary visa for two years before applying for a permanent visa. But for some people who come here, it may not be possible to be a permanent resident, say they're doing business or they have to go back and forth. Well, changes were made to the investment visa recently so that now there is no limit on the amount of days you can come in and out of the country with that type of visa. You're not tied to any kind of time frame.

In the past, the investment visa was based on an investment of 70% of what the minimum wage was for a year. Now, it's based on 80%, so around \$42,000. And with that, you get all the rights of residency. And you're flexible on your time in and out of the country. If you're someone who has maybe a sick parent or you have to go back to your home country to do work, this visa change allows you that freedom and it can be converted to a permanent visa in the future.

Dan

The amount of time necessary to be in the country was kind of a deal breaker for a lot of people. If you had an emergency, there was nothing you could do about it. You could put the kibosh on your entire effort if you stayed out of the country for too long. So this is good news.

Donna

Exactly. And I think this will open another door for people who want to try out Ecuador.

It does take an investment. The investment is around \$42,000. It can be in the form of a Certificate of Deposit (CD), but that's good news because CDs at that amount pay about 8.5% return. And if you decide that you want to leave permanently and stop the process, you can cash out your CD. There is a penalty, but with an 8.5% return, you'll still have made a profit. Or you can invest in real estate. The appreciation of housing here is not like the rollercoaster ride it is in the U.S. It's a steady rise.

Dan

And for example, a \$50,000 condo up in Cotacachi or a \$75,000 condo in Cuenca would qualify.

Donna

Absolutely. I always tell anyone interested in a visa to really understand that it changes all the time. It's a moving target.

Dan

Yeah. You might have to start all over again. I know a couple of people who have been caught in that bind, but bureaucracy is bureaucracy everywhere in the world, isn't it? It all works the same.

Donna, thank you so much for joining me today. It's been a pleasure talking to you. I'll catch up with you next quarter. Hopefully 2022 is going to be a cooler year than 2021 was, but there are few nicer places to spend it than Ecuador. Always a pleasure talking to you.