

# Live And Invest In Ecuador:

Where You Can Live Well On Your  
Social Security Income Alone



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# Enjoy A Low-Cost Life In Ecuador

**E**cador is home to great weather and jaw-dropping low prices. This country offers a perennial spring-like climate in the mountains (meaning no heating or air conditioning is required), an easy path to a retirement visa, and several well-established expat communities. Plus, local handicrafts make for great import-export business opportunities for those looking to start a business overseas.

Ecuador is not known for its beaches, and its coast remains relatively undeveloped. Current talk of a new beach road, though, is bringing investor

attention to one particular stretch of coast, giving our editors reason to return Ecuador to our active radar screen.

In Ecuador, we believe Cuenca to be the best place for an expat to retire. It's not the cheapest, but we think it's the most affordable place in the Americas to enjoy a city lifestyle

There are other colonial cities in Ecuador, but Cuenca is the cultural heart of the country. You can attend the orchestra, a play, or enjoy a tango show or an art opening, and these activities are usually free.



## FAST FACTS AND FIGURES

The official languages of Ecuador are Spanish and Quichua; the language of the Incas, still spoken by over 10 million Native Americans in the region. Ecuador achieved independence from Spain on May 24, 1822; but most big cities celebrate their own day of liberation, rather than the country's. Cuenca was liberated from Spain on November 3, 1820. It's a national holiday, during which many Ecuadorians and tourists travel to Cuenca.

Loja was Ecuador's first city to be electrified, in 1897, using power from an early hydroelectric dam.

Information Type	Ecuador Data
Population	15,868,396 (July 2015 est.)
Gross Domestic Product PPP (GDP)	US\$183.4 billion (2015 est.)
GDP Per Capita	US\$11,300 (2015 est.)
Inflation Rate	4% (2015 est.)
Currency	U.S. Dollar
Exchange Rate Versus U.S. Dollar	N/A
Language	Spanish (Castilian) 93% (official), Quecha 4.1%, other indigenous 0.7%, foreign 2.2%
Capital	Quito
Population of Capital City	1,726,000 (2015 est.)
Time Zone	GMT – 5
Seasons	Coastal area is tropical—wet, warm/hot year-round. Andean Highlands is temperate—four seasons. See <a href="#">climate in Ecuador</a> .
International Dialing Code	593
Electricity	120-127 V/60 Hz, Plug Types: A & B (U.S. style)
System of Government	Presidential Republic
Current Leader	President Rafael Correa Delgado (since 2007)

## FAST FACTS AND FIGURES

<b>Income Tax Rate For Residents</b>	5% to 35
<b>Property Tax</b>	0.025% to 0.5%
<b>Capital Gains Tax</b>	5 to 10%
<b>Inheritances Tax</b>	0% to 35%
<b>Rental Income Tax</b>	Taxed as regular income, up to 22%
<b>Transfer Tax</b>	1%
<b>Sales Tax</b>	12%
<b>Restrictions on Foreign Ownership of Property</b>	Permission needed (usually granted) to acquire land within 30 miles of the coast.
<b>Local Chamber of Commerce</b>	<a href="http://www.lacamaradequito.com">www.lacamaradequito.com</a> Av. Republica y Amazonas Edif. De Las Camaras, Pisos 5 y 6 Quito, Ecuador
<b>American Chamber of Commerce</b>	<a href="http://www.ecamcham.com">www.ecamcham.com</a> Av. 6 de Diciembre y La Nina Edf. Multicentro, Piso 4 Quito, Ecuador Tel: 593 2250-7450
<b>Primary Exports</b>	Petroleum, bananas, cut flowers, shrimp, cacao, coffee, hemp, wood, fish.
<b>Residency and Visa Requirements</b>	<p><b>Tourist Visa:</b> When you arrive at the airport, you'll receive a T-3 visa allowing you 90 days in the country.</p> <p><b>Residency:</b> Ecuador offers a number of attractive residency options, with low thresholds of qualification. If you intend to live in Ecuador and would like to come and go as you please, you should get a residency visa.</p> <p><b>Citizenship:</b> Three uninterrupted years of legal residency.</p>
<b>Special Benefits for Foreign Residents or Retirees</b>	Holders of residency visas may only be out of Ecuador for a maximum of 90 days per year, for each of the first two years. After that time, you may not be out of the country for more than 18 consecutive months. The process for revoking visas is much more efficient than for obtaining them. If you can live with the in-country time restriction, obtaining residency is well worth the effort because you have almost all the rights of a citizen.
<b>National Airline</b>	TAME <a href="http://www.tame.com.ec">www.tame.com.ec</a>

## GENERAL INFORMATION



### History



Modern-day Ecuador, once part of the Inca Empire, was colonized by Spain in the early 16<sup>th</sup> century. At that time many beautiful Spanish colonial towns were built over formerly powerful Inca cities. Ecuador's rich culture and ethnically diverse people reflect the influence of these two empires. The people of Ecuador won in

dependence from Spain in the early 19th century. Periods of civil conflict and instability followed until democracy was finally restored in 1979. The economy has since expanded and provided more stability to the country.

### Geography

Ecuador is located in South America and lies directly on the equator. The country is about the size of Nevada. It is surrounded by Peru to the South and East and Colombia to the North. Ecuador's western coast is shared with the Pacific Ocean.

### Safety and Crime

In general Ecuador is a safe and peaceful place to live. Expat and tourist numbers are both increasing and the majority of people are reporting that they feel happy and safe in



## GENERAL INFORMATION

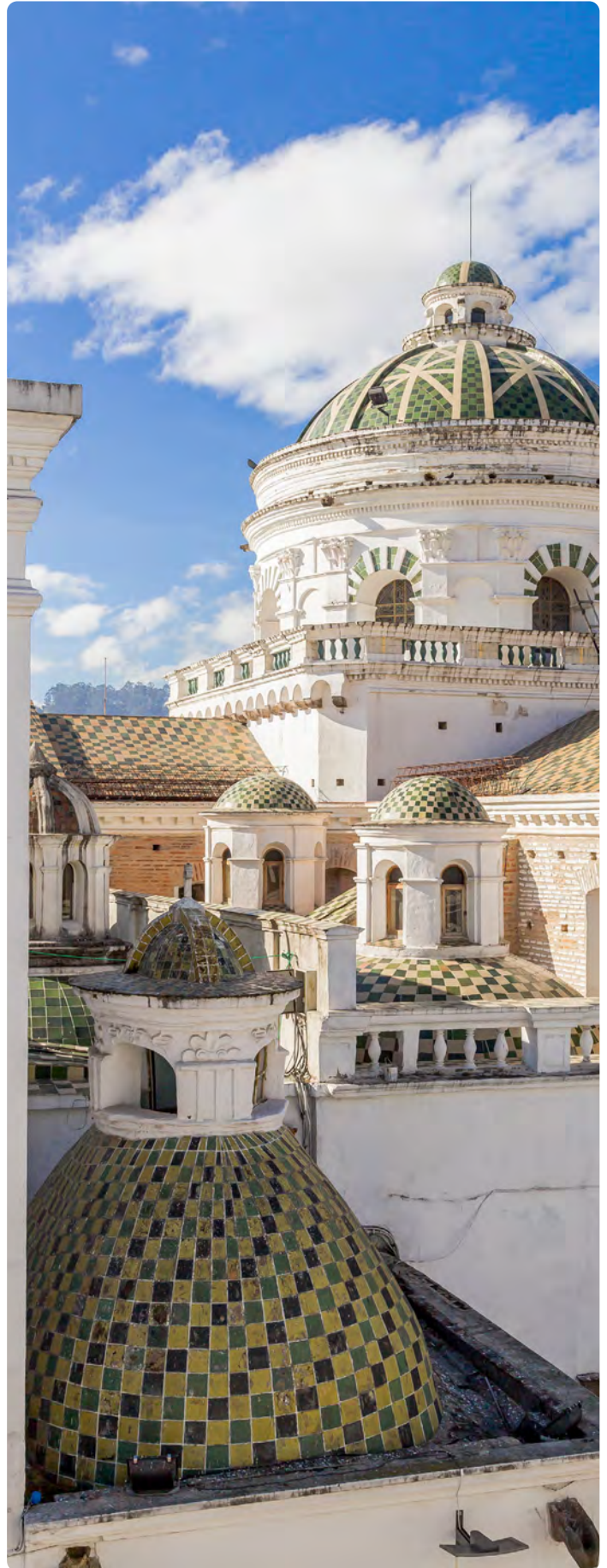
Ecuador. Ecuador's has been investing in her law enforcement, hiring more police officers and modernizing its forensic capabilities—and it's paid big dividends. In 2018, the United Nations Office of Drugs and Crimes included Ecuador on its top 10 list of countries that had shown the most dramatic improvement in reducing crime since 2007.

But, like anywhere else, crime exists. This is especially true in big cities. The wealth divide in Ecuador is pronounced in places. If you take care not to walk into the rough parts of town you will be fine. Don't wear expensive jewelry in public areas, especially earrings. Just as important, don't carry computer bags, purses, or camera bags in public unless they are essential to your outing. The area close to the Colombia border is a no-go zone. This area is made up of thick jungle and guerilla groups hide out here. Nobody ever goes here, but it is worth noting.

Speak with locals and expats before you move to Ecuador. They will give you the lowdown on the neighborhood and the info you need to know.

### **Climate**

The climate in Ecuador varies by region, mostly due to changes in elevation. When living in Ecuador, there is a varied topography, the country's climate changes quite a bit according to altitude, but the temperature in all areas of Ecuador typically ranges between 45°F and 70°F throughout the year. Average annual humidity is around 75%. Mountainous regions and any area above sea level experience cooler temperatures and lower humidity. Nearer to the equator and at sea level, the temperature can be as high as 90°F. Ecuador receives precipitation during the rainy season, but the rest of the year stays fairly dry. The average annual rainfall for Ecuador is about 50 inches, but this is distributed throughout the country and occurs mostly during rainy season.



## WHERE TO LIVE IN ECUADOR



**E**cador is a cultural adventure. Life here is as different as you can get from life in the United States or Canada without leaving the world's European-based cultures. Ecuador is home to thousands of expats, each living a life they might have only dreamed about, had they not discovered the wonder of this country. When deciding where to live in Ecuador there are a variety of lifestyle options to consider. There is spot suitable for just about everyone and it may take some time or travel to discover the best place for you.

### Cuenca

As you walk the old cobblestone streets, marvel at the historic Spanish architecture, and admire the grandeur of Cuenca's colonial churches, you'll know that you're not in Kansas

anymore. A lot of retirement destinations tout the fact that they're just like the United States—that you can settle in to familiar surroundings—but you won't hear that about Cuenca.

#### Cuenca In A Nutshell

- It's a beautiful colonial city in a fascinating and diverse country.
- The cost of living is low, and the cost of properties is near rock bottom in Latin America.
- The health care is high quality, honest, and inexpensive.
- You can enjoy its fresh, spring-like climate 12 months of the year.
- Cuenca's large and growing expat community is one of Latin America's most diverse and well-blended.



Cuenca



## WHERE TO LIVE IN ECUADOR

### Loja

Loja is modern, convenient, and has full-city services. Yet it retains the full cultural richness that's made it unique in Ecuador. The countryside surrounding Loja is dramatic and beautiful, with green mountain peaks, idyllic valleys, and rushing rivers. There are a number of attractive areas for owning a larger tract of land or a farm.

The city of Loja lies in Ecuador's Southern Sierra region. Loja is capital of Loja

province, which is one of Ecuador's two southernmost provinces, bordering Peru. It has a noteworthy indigenous presence, although it's not as omnipresent as in Cuenca or even Quito. Music is a big part of the Lojano culture, and, in fact, Loja is the undisputed music capital of Ecuador. Many of the country's best musicians and composers came from Loja, and the city currently boasts two orchestras and a noted music conservatory.



Loja

### Salinas

Salinas is a coastal city with a modest population of around 50,000. If you are looking to retire in Ecuador to a coastal city with amenities Salinas is your best bet. Other coastal towns are generally undeveloped, but Salinas has plenty going on.

It also has its own international airport. This makes getting to and from Salinas straightforward and much easier than in previous years. It's also having a positive impact on property prices in the area.



Salinas

### Quito

Quito is famous for being the 2<sup>nd</sup> highest capital city in the world. A [UNESCO](#) world heritage site, the Old Town is well preserved. The Old Town doesn't have a heritage park feel thanks to the fact that people have always lived there.

Quito is one of the top places for historical living in South America. Quito is the stopping off point for trips out to the

Galapagos Islands. It is also close to the equator; you can take a bus out of the city to stand on the center of the world.

Quito is a safe place to live with a strong police presence. Relations between the police and residents is a credit to the city. The police are not corrupt and generally lookout for the people they are supposed to be serving.



Quito

## THE ECUADOR ECONOMY AT A GLANCE

**E**cuador's economy is growing (very slightly) after years of decline following the drop in oil prices. The country depends greatly on oil revenues. Inflation is low because of the U.S. dollar peg. Correa called the peg a "financial straightjacket." It is... but maybe that's not a bad thing. Living in a dollarized economy provides a level of stability, especially if you're retired on a fixed dollar-based income. You never have to worry about when the exchange rate will move against you.

Ecuador Economic Statistics	
<b>Real annual growth rate</b>	3.0% annual change (2017)
<b>Per capita income</b>	11,350 PPP dollars (2017)
<b>Natural resources</b>	petroleum, fish, timber and hydropower
<b>Primary sectors (60.4% of GDP)</b>	Services (tourism, transportation, utilities, communications, parcel delivery, and financial services)
<b>Secondary sectors (32.9% of GDP)</b>	Industry (petroleum, food processing, textiles, wood products and chemicals)
<b>Tertiary sectors (6.7% of GDP)</b>	Agriculture (bananas, coffee, cocoa, rice, potatoes, manioc (tapioca), plantains, sugarcane, cattle, sheep, pigs, beef, pork, dairy products, balsa wood, fish and shrimp)
<b>Exports</b>	US\$19.3 billion (2017): petroleum, bananas, cut flowers, shrimp, cacao, coffee, wood, fish
<b>Major trade markets</b>	United States 31%, Vietnam 7.6%, Chile 6.9%, Panama 4.8%, Russia 4.7%, (2017)
<b>Imports</b>	US\$19.3 billion (2017)
<b>Major suppliers</b>	United States 19%, China 19%, Colombia 7.8%, Brazil 4.5%, Panama 4.4%, (2017)
<b>Labor force</b>	8,672,000 (2019)



## COST OF LIVING

Country-wide, the cost of living in Ecuador is about as inexpensive as it gets in Latin America. And within Ecuador, cities like Cuenca and Loja have living costs less than you'll find in other major cities throughout the region. In fact, they are among the cheapest you'll find for cities that still have the full complement of city amenities. Dinner out in Ecuador is inexpensive, and a three-course lunch can still be found for one dollar at many mom-and-pop restaurants.

### Owning Your Own Apartment

Expense	Monthly Cost	Notes
<b>Rent</b>	US\$0	
<b>HOA Fees</b>	US\$120	Not required in houses or some older apartments
<b>Property taxes</b>	US\$17	
<b>Transportation</b>	US\$50	For taxes and motos around town, plus gasoline for personal car use.
<b>Gas</b>	US\$6	Used for hot water and cooking
<b>Electricity</b>	US\$30	
<b>Telephone</b>	US\$60	
<b>Internet and cable tv</b>	US\$44.91	Up to 10GB, 110 channels
<b>Cell Phone</b>	US\$28	Basic monthly plan with unlimited minutes, calling, texting, and 5 GB of data.
<b>Medical appointment</b>	US\$30	A basic doctor/clinic appointment; per visit
<b>Household help</b>	US\$40	Two four-hour visits per week; 5 per hour
<b>Groceries</b>	US\$300	Basic items for a couple.
<b>Water</b>	US\$11	
<b>Entertainment</b>	US\$172	Orchestra, theater, and cultural activities are usually free
<b>TOTAL</b>	US\$908.91	

## COST OF LIVING

### Renting An Apartment

Expense	Monthly Cost	Notes
<b>Rent</b>	US\$300	Unfurnished, two-bedroom, comfortable apartment of 75-80 square meters in the town center with a walled garden and gated entry.
<b>HOA Fees</b>	US\$100	Average: HOA is often required for renters
<b>Property taxes</b>	US\$0	
<b>Car costs</b>	US\$0	An unnecessary burden in the city
<b>Auto insurance</b>	US\$0	
<b>Transportation</b>	US\$50	For taxis and motos around town, plus gasoline for personal car use.
<b>Gas</b>	US\$6	Used for hot water and cooking
<b>Electricity</b>	US\$70	Little heating or air conditioning needed.
<b>Telephone</b>	US\$1.99	For landline, includes 200 minutes (From ETAPA, July, 2018)
<b>Internet and cable tv</b>	US\$44.91	Up to 10 GB, 110 channels
<b>Medical appointment</b>	US\$30	A basic doctor/clinic appointment; per visit
<b>Household help</b>	US\$40	Two four-hour visits per weeks; 5 per hour
<b>Groceries</b>	US\$300	Basic items for a couple
<b>Entertainment</b>	US\$172	Orchestra, theater, and cultural activities are usually free in Cuenca
<b>TOTAL</b>	US\$1,806.90	

### Owning A Car

Expense	Monthly Cost	Notes
<b>Car registration</b>	US\$12.50	
<b>Insurance</b>	US\$54.17	
<b>Maintenance</b>	US\$50	
<b>Fuel</b>	US\$40	Gas is \$1.48 and Diesel is \$1.03, subsidize
<b>CAR TOTAL</b>	US\$156.67	

\*Note: The budgets are for Cuenca, Ecuador.



## STARTING A BUSINESS IN ECUADOR

**E**cador can be a great place to run a business. The country is fairly unregulated, and there are loads of untapped opportunities.

We caution you however, that larger businesses can be difficult. Ecuador still has a problem with corruption, and government processes are inefficient and time-consuming. Smaller businesses (mom-and-pop operations with few or no local employees) tend to be much easier to operate, since they tend to have less government or municipal interface.

### **Business Opportunities In Ecuador**

There were three business ideas that immediately jumped out to us when considering Ecuador:

**English-speaking Realtor.** Many expats report not being able to find English-speaking realtors. Others claim many of the Spanish-speaking realtors can be slackers. The first people to tackle this will have the market to themselves. If you go in with an Ecuadorian partner, you could probably make strong inroads into the local market as well, by setting a high standard of operation.

**Spanish language School.** Loja, for example, is one of the best places in the world to learn Spanish, so the first person to open and market a small school will, again, have the market to themselves.

**Short-term Rentals.** Short-term rentals are hard to find. And by that we mean quality, modern, tastefully furnished rentals outfitted to North American standards. This is a perfect solution for the part-year resident who wants to rent their property out when not in town.

There are probably dozens more good ideas. All you need is an entrepreneurial spirit and a bit of time and you'll be on your way.





## The Ecuador Real Estate And Property Market

Once you've decided on a property in Ecuador, the first thing you should do is find a qualified attorney (one who speaks English if you're not a fluent Spanish speaker). And no money should change hands until that attorney tells you the title is free and clear.

## Purchasing Real Estate In Ecuador

The purchase process in Ecuador is as easy as it gets...

- Make a verbal offer either in person, through your agent, or through your attorney.
- If desired, you can execute a sales contract to hold the property. This is called a **promesa de compraventa** and is useful if you need time to gather the funds or want to specify any special terms or conditions related to the sale. Normally, the **promesa**, if used, is accompanied by a 10% to 30% down payment.

- If you don't need the **promesa**, you can go right to closing; which is the signing of the **escritura de compraventa** at the notary.
- Once the **escritura** is signed, the property must be registered by your attorney. At this time—not before—it's completely yours. The registered copy of the **escritura** serves as the deed.

As you can see, it's possible to close quickly if you have the cash. One of our correspondents living in Ecuador made an offer on a house at 2:00 p.m., and closed by 5:00 p.m. on the same day. Closing in Ecuador is a transaction only between the buyer and seller (aided by the seller's attorney). The notary does not hold escrow or disburse funds such as real estate commissions, taxes, etc. Some attorneys however, maintain trust accounts for the purpose of holding escrow and disbursing funds, which is very convenient if you don't yet have a local bank account.

Foreigners need permission to own real estate within 50 kilometers of international borders and within 50 kilometers of coasts. Owning real estate in Ecuador's Galapagos Islands is prohibited.



## TAXES

One tax everyone pays is the Value Added Tax, known throughout Latin America by its Spanish acronym IVA (and always pronounced EE-vah). The tax rate in Ecuador is 12%, which is the second-lowest in South America, where IVA rates range from 10% (Paraguay) to 22% (Uruguay). In plain English, this is a sales tax...and, as in most countries outside the US, the tax is included in the marked price, and never added on at the register.

You'll also be subject to a "capital outflow" tax of 5% on all outbound transfers that exceed three times the minimum wage (US\$1,200 for 2020). You can avoid this when you sell your home however—legally—by taking payment outside of Ecuador.

There is a capital gains tax on the sale of property, but it's calculated as 0.5% on the change in municipal value (rather than the actual gain) and it's usually negligible.



**Ecuador has a graduated income tax** on Ecuadorian-source income, ranging from 10% to 35%. The current tax law actually says it applies to "all income" but there's no implementing regulation to collect tax on personal income generated from outside Ecuador, so expats don't pay it.

Property taxes are among the lowest in the world, and even on a large house, it's unusual to see an annual tax bill higher than US\$200 per year.







### Entering Ecuador

Upon arrival in Ecuador, citizens of the United States, Canada, and much of Europe will be issued an automatic tourist visa, typically valid for 90 days. Check the stamp to make sure you know how many days they gave you.

You can extend your 90-day stay one time, for an additional 90 days.

If you want to stay longer than 180 days as a tourist, you can get a special tourist visa at the consulate, in advance of your trip, for up to one year. You can apply for such a visa once every five years.

### Residency Visas

The Ecuadorian residency process generally requires that you hold a temporary resident visa followed by a permanent residency visa.

You apply for Ecuadorian residency at a local immigration office in Ecuador; the process is no longer done at a consulate in your home country.

All documents which are issued outside of Ecuador must be authenticated by the country of origin. Depending on the country of origin, you'll use either the apostille process or consular legalization.

Any document that is not in Spanish must be translated into Spanish. The translator must certify the translation as correct, and their signature must be verified by a notary.

One big advantage of residency in Ecuador is that you can import your household effects, duty-free. Your attorney will guide you through this process, where timing is critical and strict adherence to the rules is required.

### Temporary Residency (*Residencia Temporal*)

The Temporary Resident Visa allows you to stay in Ecuador for up to two years and can be renewed one time only.

On a Temporary Resident Visa, you may be absent from Ecuador no more than a cumulative total of 90 days per year. They will forgive one violation

## RESIDENCY AND CITIZENSHIP IN ECUADOR



The general requirements for temporary resident visas (regardless of which kind you're asking for) include:

- **Passport:** You must have a passport from your home country that won't expire for at least six months.
- **Movimiento Migratorio:** This is a record of your movements in and out of Ecuador (**movimiento migratorio**), available from the immigration office.
- **Background Check:** Ecuador requires a background check from your country of origin, or the country where you have lived for the past five years.

In addition to the three general requirements above, here are the requirements that are specific to each type of visa...

### **Trabajador (work visa):**

- A document that proves the economic solvency of your employer.
- An employment contract.
- In the case of entrepreneurs, you must show the means to support yourself (and your family) in the near term.
- If you're working for the government or a public institution, you must also show the authorization from the entity you'll be working for.

### **Rentista (those with income from abroad, or from Ecuadorian sources):**

- Proof of legal income, sufficient to support you and your family. The law does not specify an amount. (The required amount prior to the new law was US\$800 per month.)
- An official document that shows how the foreign income is derived.

of this rule, provided you pay a fine of three times Ecuador's minimum wage. For 2020, the fine would be US\$1,200

Ecuador charges a non-refundable, US\$50 application fee for each applicant. In addition, a visa fee of US\$400 is due when the visa is granted. The exceptions to the US\$400 fee are the dependent visa (**amparado**) which is US\$200 and a reduced fee for those over 65 years of age.

There are 13 types of Temporary Resident Visas; the most commonly used by expats are these:

- **Trabajador (workers)**
- **Rentista (those with income from abroad or from Ecuadorian sources)**
- **Pensionado (retirees with a pension)**
- **Investionistas (investors)**
- **Amparado (for dependents of other visa-holders)**



## RESIDENCY AND CITIZENSHIP IN ECUADOR

### **Pensionado (retirees with a pension):**

- Proof of legal income, sufficient to support you and your family. Required is a minimum monthly income of US\$800 (for an individual; the requirement is US\$900 for a couple).
- An official document from the entity that is paying your pension.

### **Investionistas (Investors):**

- Proof of legal income, sufficient to support you and your family.
- If you are qualifying with a bank deposit or other financial instrument, proof that you have deposited the required amount in an authorized Ecuadorian financial institution. The required investment is 70 times the minimum wage (US\$28,000 for 2020).
- If you are qualifying with a property, your property deed. The required investment is 80 times the minimum wage (US\$32,000 for 2020).
- If you have invested in an Ecuadorian company, proof of your investment. The required investment is 70 times the minimum wage (US\$28,000 for 2020).
- If you started a business, proof of your capital investment. The required investment is 70 times the minimum wage (US\$28,000 for 2020).

Ecuador's minimum wage is US\$400 per month for 2020, and is increased each year in January.

### **Amparados (dependents):**

For this visa, a dependent must prove their relationship to the primary visa-holder. The primary visa-holder's required income must be sufficient to add the number of dependents who also want to come in under that same visa. For example, if the primary visa holder may be required to have an income of US\$800 per month plus an additional US\$100 for each dependent.



### **Permanent Residency (Residencia Permanente)**

To be eligible for permanent residency, most people will need to have been temporary residents... but not everyone.

To qualify, you need to meet only one of the following four requirements:

- You can be the holder of a Temporary Resident Visa for at least 21 months;
- You can be married or have a civil union with an Ecuadorian citizen;
- You can be a disabled person who is dependent on an Ecuadorian citizen or permanent resident;
- You can be related to an Ecuadorian citizen or permanent resident, by at least the second degree (i.e., you share a grandparent).

To apply for permanent residency, you'll need to provide:

- Proof of request for Temporary Residence
- Passport: You must have a passport from your home country that won't expire for at least six months.
- **Movimiento Migratorio:** You'll also need a record of your movements in and out of Ecuador (**movimiento migratorio**), from the immigration office.

## RESIDENCY AND CITIZENSHIP IN ECUADOR

- **Background Check:** Ecuador requires a background check. If you've been in Ecuador on a temporary visa, you can get this from the local police station in Ecuador. For others, you'll need a background check from your country of origin, or the country where you have lived for the past five years.
- **Income certification:** You must show that you have continued means to support yourself and any dependents.
- There may be additional requirements depending on the type of permanent residence visa.

Residency visa applications are made at an immigration office within Ecuador rather than at a consulate. There are offices all over the country.

You may not be absent from Ecuador for more than 180 days per year, for each of the first two years. They will forgive one violation of this rule, provided you pay a fine set at four times the Ecuadorian minimum wage. For 2020 the fine would be US\$1,600.

After the first two years, you may be absent for up to five years without losing your permanent residency.

Again, all documents which are issued outside of Ecuador must be authenticated by the country of origin. Depending on the country of origin, you'll use either the apostille process or consular legalization. Any document that is not in Spanish must be translated into Spanish. The translator must certify the translation as correct, and their signature must be verified by a notary.

Permanent residents must have private health insurance, or they must opt in to Ecuador's social security system (ISSS) within 30 days after granting of their visa. They will not issue the order for your **cédula** (national ID card) until you've presented evidence of health insurance.

As with the temporary visas, you'll pay a non-refundable, US\$50 application fee for each applicant. In addition, a visa fee is US\$500 for holders of temporary visas. Those who qualified based on marriage, civil union, or parentage will pay US\$200. Special deals also exist for citizens of Venezuela and Mercosur countries.





## RESIDENCY AND CITIZENSHIP IN ECUADOR



### **By Naturalization**

Ecuador has one of the quickest citizenship programs we know of. You can become a citizen after only two or three years of continued residency.

Citizenship is granted in Ecuador by means of a naturalization letter (**Carta de Naturalización**). For expats, the naturalization letter is generally granted for two categories:

Residents who have resided in Ecuador for three years, or residents who are married or have a recognized permanent civil relationship with an Ecuadorian citizen, who have resided in Ecuador for two years.

In order to qualify, you'll need to be able to recognize Ecuador's patriotic symbols (flag, seal, etc.); pass an interview, during which you'll have to describe your motives for wanting to become a citizen; and show how you're going to support yourself in Ecuador. While there is no requirement in the law that the applicant speak Spanish, you'll probably fail the interview if you speak no Spanish at all.

Anyone who has resided in Ecuador for more than five years will have the right to vote, and they may also hold public office.

### **Citizenship And An Ecuadorian Passport**

Ecuador recognizes dual citizenship.

Although permanent residents are allowed to vote and run for office, only citizens are allowed to import a vehicle duty-free as part of their household effects. The law allows for importation of cars up to five years old, which are valued at less than 60 times the minimum wage. At US\$400 for 2020, the maximum value of the vehicle would be US\$24,000. Ecuador's customs laws grant a special exemption for vehicles of the handicapped, of any nationality.

You must not have been absent from Ecuador for more than 180 days per year for each of your first three years of permanent residency. (This restriction does not apply if you are qualifying by having an Ecuadorian family member or by marrying an Ecuadorian citizen.) You must also not have been sentenced with any crime or served jail time in Ecuador.

### **By Descent**

Ecuador recognizes both jus soli and jus sanguinis without limitation, so children born in Ecuador can claim citizenship without exception, as can those born abroad to at least one Ecuadorian parent. In fact, citizenship can be claimed up to the third degree of consanguinity, meaning if you've got at least one Ecuadorian grandparent, you are eligible to claim citizenship.



## MOVING TO ECUADOR



### **So You Want To Move To Ecuador...**

Moving to Ecuador is far from the scary idea it might have been decades ago. This South American country has quickly become an expat haven for those seeking sun and a low cost of living. Today there are resources and information widely available to make your move to Ecuador smooth sailing. The tricky part can often be sorting through the information, often in Spanish, and deciding how best to approach the relocation.

A big part of any move is the physical transportation of your belongings. If you are relocating from the United States or Canada there are many international shipping options available to you, however it can be helpful to find a local shipping agent in Ecuador to facilitate the move. It can often be easier to find a Ecuadorian company that works with a shipping company in your country, as dealing with the Ecuador customs and import officials is likely to be a bigger hurdle for a foreign company.



### **Benefits Of A Move To Ecuador**

A large benefit to anyone considering a move to Ecuador has to be the cost of living. Nearly all locations you are looking at within the country will be apples-to-apples cheaper than you are used to in North America. Ecuador's year 'round growing season means that fresh tropical fruits and vegetables are always available in the markets at low prices. Warm, tropical weather is another reason that expats site for relocating to Ecuador.



## MOVING TO ECUADOR

For example, the average high temperature in Loja is 73° (23°C), with a seasonal variation of only 1 degree.

The people of Ecuador are friendly and welcoming, and it's easy to become a part of the community.

### **Moving Household Goods To Ecuador**

One big advantage of residency in Ecuador is that you can import your household effects, duty-free.

There is a limit per-person of 200kg (440 lbs.) for clothing, shoes, and other personal items; an attempt to slow down Ecuador's booming grey market for clothing. But otherwise, most reasonable household items won't be a problem.

The requirements for **importing a car** have changed over the years, and the rules applied "at the dockside" can be different from what's in the law. According to the rules issued in September 2011, the ability to import a car is limited to returning Ecuadorians.

In any case, bringing a car is always a hassle and almost never cost effective. For example, it's

almost impossible to find a mechanic to work on an American emissions system, and parts may be hard to find.

### **Moving To Ecuador With Pets**

**Pets** will require an International Veterinary Health Certificate, available from most any vet's office. It must show that all vaccinations are up to date, and be issued within 10 days prior to your pet's arrival in Ecuador.

Once completed by the vet, the International Health Certificate must be endorsed in the US by one of the USDA-APHIS Veterinary Services offices (or an office in whichever country your pet is traveling from), which will affix a raised seal. Check the [USDA](#) for the office nearest you. Do this right away, as the certificate is only good for 10 days from the date of the exam.

Once certified by the local veterinary services office, the certificate should be authenticated and translated into Spanish.





### Quality Health Care In Ecuador At An Affordable Price

Health care in Ecuador is recognized by many as the best value for your money in the entire world. Ecuador's cities are home to a number of high-quality hospitals, with state-of-the-art technology, specialists across the spectrum and excellent service. An added bonus: Ecuadorian doctors spend 30 to 45 minutes with each patient, so you can be confident your consultation is thorough.

Many retirees are choosing Ecuador based on health care alone.

### Cost Of Health Care In Ecuador

You can receive medical care at a cost of only 10% to 25% of that in the United States.

### Insurance In Ecuador

If you prefer to have health insurance, it's also relatively inexpensive— though of course the costs depend on your age. Most in-network items are paid at 90%, while out-of network costs are 80%. They even include US\$30,000 of life insurance.

### Pharmacies In Ecuador

The cost of brand-name prescription drugs is about one-third of the price of the same product in the United States, and generics are as low as one-

tenth of the comparable drug. We have not heard of or experienced any problems with authenticity and all drugs we've seen are in manufacturer's packaging from known companies, with lot numbers and expiration dates.

### Dental Care In Ecuador

Quality dental care is available throughout Ecuador and much like general medical it is made affordable to everyone.

Expats report great experiences with dental care in Cuenca. If you will be back and forth between Ecuador and home, we recommend trying to schedule exams and dental work for when you're in town.

Here are the prices from a dentist who practices at Santa Ana:

<b>Examination-office visit</b>	US\$30
<b>Ultrasonic cleaning</b>	US\$40
<b>Fillings</b>	US\$20 to US\$50
<b>Root Canal</b>	US\$150 (single root)
<b>Crown</b>	US\$250 to US\$400

### Nursing Care In Ecuador

This is a nagging issue for potential overseas retirees, so we were pleasantly surprised to find a new home in Cuenca at a good price. Our local contact in Ecuador has toured the facility with the doctor in charge, and spoke with a couple of family members, who reported they were very happy with the home.

The facility was clean, the staff was professional, and the residents were well dressed and well cared for.

The total cost was US\$450 per month, which includes 24-hour doctor and nurse attendance, food, laundry, personal care, and occupational/rehabilitative therapy. Personal hygiene items (like toothpaste, hairbrushes, etc.) will need to be supplied by the family.





### Improving Infrastructure In Ecuador

Ecuador's government has been investing heavily in projects to improve electricity, telecommunications, and transportation. In fact, a larger percentage of their GDP goes to infrastructure in Ecuador than any other country in the world.

Domestic flights are frequent and commonly used, as road travel in Ecuador is typically slow due to the terrain of the country. Ecuador's rail system is used for freight only and is in need of renovation.

**Public transportation is great**, both within cities and between cities. The national and municipal bus systems are unusually efficient. All over Ecuador, buses are plentiful and inexpensive. Owning a car is an unnecessary expense, and, in fact, a burden to most people here. Rental cars

are easily available when you're ready to explore the country off the beaten trail.

Having said that, road travel throughout Ecuador can be dangerous, especially at night. Ecuador's varying altitudes and terrains can make road travel slow and difficult. The rural **Ecuador infrastructure**, including many roads are poorly maintained or unmarked. Heavy rains and mudslides often close or wash out roads. Dense fog is common in mountainous areas. Road safety features such as crash barriers and guardrails along steep mountainsides are rare and, in the countryside, livestock are often herded along roads or graze on roadsides.

Communications and electrical service in Ecuador are state-owned and operated. These services are subsidized, so they are cheaply available to the nation, but the quality is very poor.

### **How Much Does It Cost To Retire In Ecuador?**

The low prices in Ecuador are a big attraction for expat retirees. Both the cost of day-to-day living and real estate are far cheaper than in the United States.

In Cuenca, the monthly budget for a couple renting an apartment is just over US\$1,300 per month. This would allow a comfortable lifestyle. If you own your own property these costs drop to just over US\$1,000 per month.

Penny pinchers can get by on even less.

### **Benefits Of Retiring In Ecuador**

When you retire in Ecuador, you can receive up to 50% off public transportation, utilities, recreational activities, and events, reduced or eliminated income, capital gains, estate, property, vehicle, and sales taxes. You are also eligible for duty-free importation of household goods and expediated services (skipping the lines in places like banks).

A pensionado visa in Ecuador allows you to work even though you're meant to be retired. This means you have the option of topping up your pension by doing a part time job such as teaching English.

Ecuador's great package of senior benefits:

- 50% off all public transportation
- Special discount on property tax
- 50% off national and international airfares
- Refund of Value Added Tax (sales tax)
- 50% off all cultural, sports, artistic and recreational events
- Relief from Ecuadorian income tax
- 50% off electricity, water, and telephone service
- Discount on vehicle tax and judicial fees
- And best of all, you never have to stand in line; seniors always go to the front.





# Further Resources

## In The Right Places Overseas, You Can Live Better Than You Do Now

### Maid, Dinners Out – For As Little As US\$860 A Month

Ecuador is one of the countries featured in our Annual Overseas Retirement Index. Our editors have just published this special report on the world's top 14 overseas retirement havens... the best places on earth for improving your quality of life while reducing your cost of living... including complete details on the cheapest places in the world to retire today.

We'd like to send you this new and comprehensive guide with our compliments.

[Discover how here](#)



## Country Hub

Check out our **Ecuador Country Hub** where you'll find:

- Maps
- Photos
- And General Demographics

[Click here](#)





