



A country of opportunities

Republic of El Salvador  
Economic, Trade & Tourism Office

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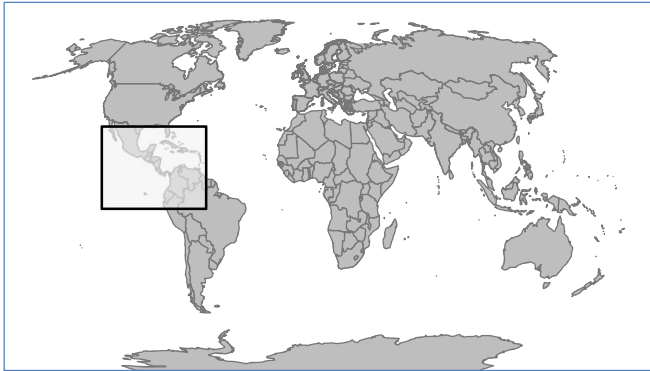
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**Economic, Commercial  
and Tourism Attachés**  
*El Salvador*



MINISTERIO DE RELACIONES EXTERIORES  
DE EL SALVADOR



# El Salvador

## ...at a glanze!

<b>Capital:</b>	San Salvador
<b>Language:</b>	Spanish
<b>Area:</b>	21,041 Km <sup>2</sup>
<b>Population:</b>	6.5 mill. (2015)
<b>GDP (BIP)</b>	26,7 bill. USD (2015); \$4,107 per cap.
<b>Currency:</b>	<b>\$ USD</b>
<b>Time Zone:</b>	UTC -6



**El Salvador, located in the heart of the Americas, has an export-oriented economy!**



# ...Why invest in El Salvador?



## Productive labor force

Investors certify that Salvadoran labor force is world famous for its industriousness, efficiency and work ethic.



**2.9 million**

Labor force



**57%**

under 39 years  
or younger



**23,000 → 21 %** Eng. & Tech.

Graduates per year



## Competitive costs

The Financial Times' investment journal fDi Intelligence has classified El Salvador as the most cost effective country in Central America.

Minimum Monthly  
Wage per Sector →  
(in USD)



Agriculture

**\$200.00**



Industry

**\$300.00**



Commerce &  
Services

**\$300.00**



Textile &  
apparel

**\$295.00**



## Monetary stability

Salvador dollarized its economy in 2001, therefore offers greater certainty to investors as a result of the elimination of foreign exchange risk

**Only country in Central America with  
the US Dollar (\$) as a legal tender.**

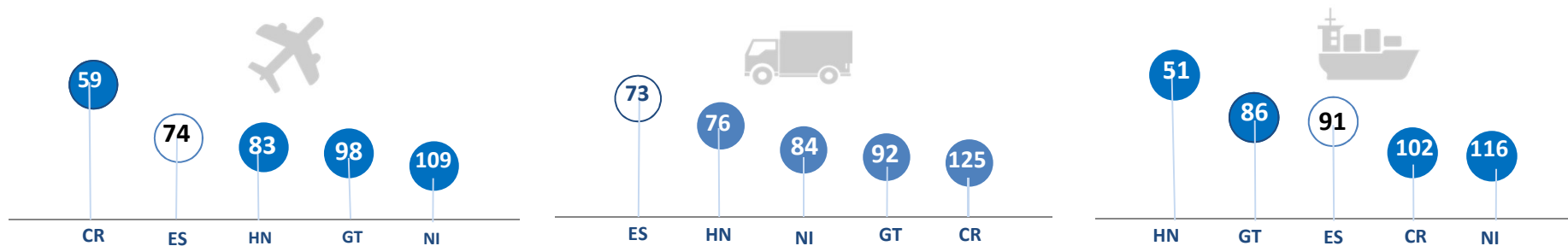
# ...Why invest in El Salvador?



## Competitive infrastructure

The World Economic Forum places El Salvador's infrastructure as one of the most competitive infrastructure in Latin America.

Global Competitiveness Report - Quality of infrastructure ranking 2016-2017  
(out of 138 countries)



## Attractive tax incentives

The country's legal framework provides full exemption from income tax, municipal taxes, taxes on transfers of real-estate property as well as customs duties and other taxes.

Investment law



Renewable energies incentive law



Free Zones law



International Services law



Tourism law



Construction projects procedure streamlining law



Law and legal stability for investments law



Public Private Partnership law (PPP)







## Strategic location

El Salvador's geographic location enables a short access time to major cities in North and South America.



## Preferential access to international markets

Multiple trade agreements provide preferential access to more than 1.2 billion consumers in 43 countries around the world.

# Attractive investment climate

## Foreign Direct Investment

FDI Stock 2016 USD 9.2 billion

34 % of GDP

Examples of multinational companies with investment in El Salvador:



# Actual investment opportunities in El Salvador



- ✓ Vertically integrated industry.
- ✓ Manufacture of yarn and fabrics.
- ✓ Manufacture of knitted garments (embroidery, screen printing, heat transfers, etc.).
- ✓ Manufacture of garments ("Single Transformation"): bras, girl dresses, boxer shorts, sleepwear and luggage.



- ✧ Market based on production costs.
- ✧ Bids based on long-term contracts (20 years).
- ✧ Clear rules under a legal framework that promotes the diversification of our energy matrix, at small and large scale.
- ✧ Attractive tax incentives for renewable energy investments.



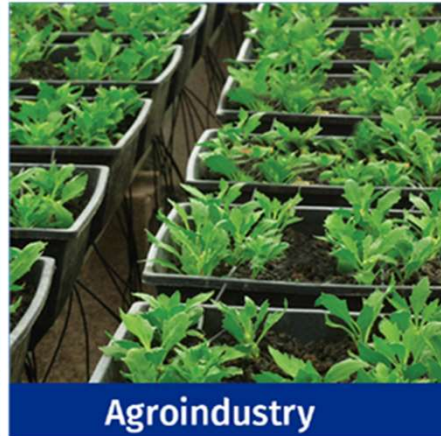
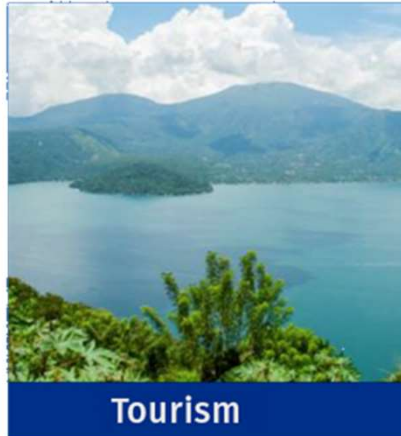
- ➔ Commercial aircraft maintenance service operations.
- ➔ R44 helicopter maintenance operations.
- ➔ Light Sports Aircraft (LSA) airframe part manufacturing.
- ➔ Painting and maintenance of commercial aircraft interiors.



- 💻 Voice Business Process Outsourcing (Call Centers)
- 💻 Non-voice Business Processes Outsourcing (BPOs)
- 💻 Shared Service Centers (KPOs)



# Actual investment opportunities in El Salvador



🌴 Surf, fishing, adventure tourism, the Mayan world and medical tourism ... all in one place.

🌴 In tourism: Mixed-use developments, hotels, vacation homes, Marinas, etc.

🏥 In health services: Hospitals, specialized clinics, rehabilitation Centers, "Medical Spas", "Resort Hospitals" for chronic diseases, etc.

As a platform to produce and export, El Salvador offers attractive opportunities in the following sectors:

- ⚙️ Aquaculture Sector.
- ⚙️ Fruit Farming Sector.
- ⚙️ Processed Foods Sector.

These sectors are highly favored by good weather, connectivity and easy access to regional and international markets.

🏭 Auto parts (harnesses, safety belts, inflators and modulators for airbags, shock absorbers, brake drums & rotors, etc.).

🏭 Medical devices (medical supplies, orthopedic products, furniture, etc.)

🏭 Passive electronic components.

🏭 Footwear (assembly of components and parts, inputs, accessories and footwear manufacturing.)





# El Salvador... open for business!



#	EXPORT Products to EU (2010-2015)	Mill. US\$
1	Coffee	\$ 586.3
2	Tuna	\$ 363.9
3	Sugar and derivate	\$ 76.8
4	Textile & confection	\$ 77.9
5	Plants/cuttings	\$ 41.4
6	Honey	\$ 35.4
7	Machinery Parts	\$ 12.1
8	Shoes, parts & accessories	\$ 11.3
9	Beverages	\$ 10.7



EU

#	IMPORT Products from EU (2010-2015)	Mill. US\$
1	Mechanical artifacts & machinery	\$ 639.4
2	Pharmaceutical products	\$ 409.7
3	Electrical & electronical parts & machines, products	\$ 345.7
4	Metals (tantalum)	\$ 170.9
5	Paper/cardboard, cellulose	\$ 150.2
6	Fertilizers	\$ 142.4
7	Optical & medical instruments	\$ 129.1
8	Food preparations	\$ 117.5
9	Plastic & manufactures	\$ 112.4
10	Steel products	\$ 103.8

#	EXPORT Products to POLAND (2010-2015)	Mill. US\$
1	Sugar and derivate	\$ 1.5
2	Coffee	\$ 0.5
3	Tuna	\$ 0.1
4	Textile & confection	\$ 0.1
5	Medical Equipment	\$ 0.1
6	Chemical products	\$ 0.0

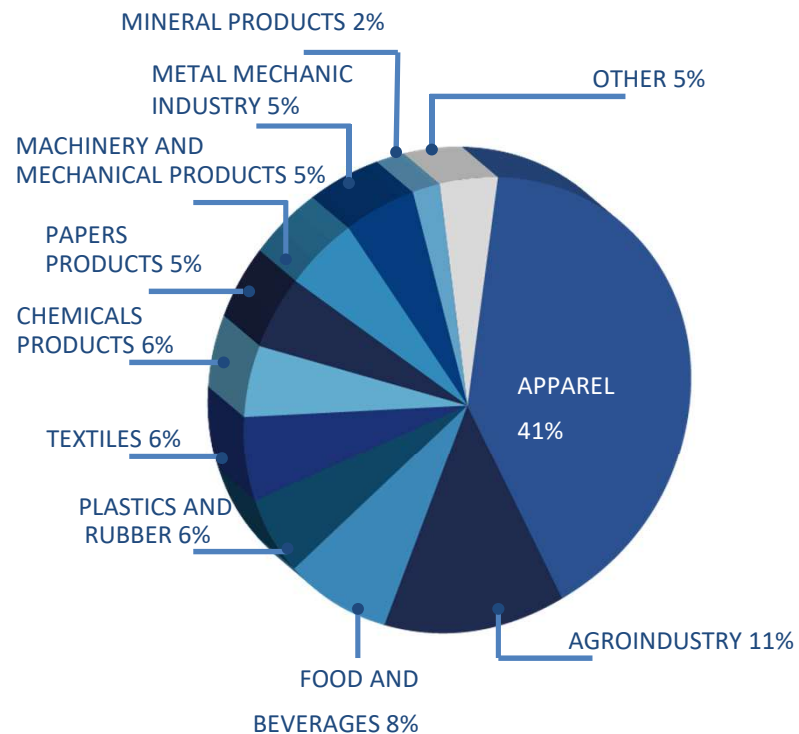


PL

#	IMPORT Products from POLAND (2010-2015)	Mill. US\$
1	Mechanical artifacts & machinery	\$ 3.3
2	Pharmaceutical products	\$ 1.6
3	Essential Oils, cosmetic preparations, perfumes	\$ 1.5
4	Electrical & electronical parts & machines, products	\$ 1.4
5	Paper/cardboard, cellulose	\$ 0.6
6	Inorganic chemical products	\$ 0.5
7	Fertilizers	\$ 0.5
8	Optical & medical instruments	\$ 0.4



## El Salvador is an ideal platform to export a diversity of goods and services to different markets



## El Salvador Exports 2016 (goods)

**USD \$5.34 billion**



USA 48%



Central America 39%



Panama 2%



Dom. Rep. 2%



Mexico 1%



Spain 1%



Taiwan 1%



Italy 1%

Others 6%



# Tourism in El Salvador



Trade



Investment



Tourism



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# EL SALVADOR

Great like our people

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**Invest in El Salvador (PROESA)**

