

## Introduction

El Salvador is a country in Central America bordering Guatemala, Honduras, the Pacific Ocean, and the Gulf of Fonseca. It is the only country in Central America not on the Caribbean Sea. El Salvador is mountainous and known as the "land of volcanoes." The government system is a republic; the chief of state and head of government is the president. El Salvador has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation.



**Location:** Central America

**Capital City:** San Salvador (-6 GMT)

**Chief of State:** President Salvador Sánchez Cerén

**Head of Govt.:** President Salvador Sánchez Cerén

**Currency:** United States Dollar/Colon (SVC)

**Major Languages:** <p>Spanish (official), Nahua (among some Amerindians)</p>

**Primary Religions:** <p>Roman Catholic 57.1%, Protestant 21.2%, Jehovah's Witnesses 1.9%, Mormon 0.7%, other religions 2.3%, none 16.8%</p>

**Calling Code:** 503

**Voltage:** 115

## Key Websites

Main Government Page: [presidencia.gob.sv](http://presidencia.gob.sv)

Commerce Ministry: [minec.gob.sv](http://minec.gob.sv)

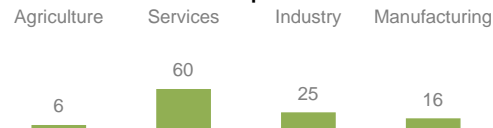
Export Promotion Agency: [proesa.gob.sv](http://proesa.gob.sv)

Investment Promotion Agency: [proesa.gob.sv](http://proesa.gob.sv)

## Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$51.06 billion (2017)
GDP growth (annual %):	2.32% (2017)
GDP per capita, PPP (current international \$):	\$8,006.06 (2017)
External debt stocks, total (DOD, current US\$):	\$16,698,900,611.10 (2017)
Manufacturing, value added (% of GDP):	16.14% (2017)
Current account balance (BoP, current US\$):	-\$0.50 billion (2017)
Inflation, consumer prices (annual %):	1.01% (2017)
Labor force, total:	2,886,457 (2018)
Unemployment, total (% of total labor force) (modeled ILO estimate):	4.55% (2018)
Imports of goods and services (current US\$):	\$11.14 billion (2017)
Exports of goods and services (current US\$):	\$6.86 billion (2017)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	112 / 178
Global Competitiveness Index	98 / 139
Global Enabling Trade Index	74 / 136
Index of Economic Freedom	84 / 179
International Logistics Performance Index (LPI)	101 / 160
Inward FDI Potential Index	103 / 139
KOF Index of Globalization	64 / 185
Networked Readiness Index (NRI)	93 / 139
Open Budget Index	58 / 115

## Risk Assessment (Provided by Coface)

**Country rating: C** - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

**Business Climate rating: B** - The business environment is mediocre. The availability and the reliability of corporate financial information vary widely. Debt collection can sometimes be difficult. The institutional framework has a few troublesome weaknesses. Intercompany transactions run appreciable risks in the unstable, largely inefficient environments rated B.

### Strengths

- Relative economic diversification
- Free trade agreements with Central America and the United States (CAFTA-DR), as well as with Mexico and the EU
- Financial support from multilateral institutions
- Growing population

### Weaknesses

- High level of criminality and insecurity associated with drug trafficking
- Lack of natural resources
- Climatic and seismic vulnerability
- Inadequate infrastructures and investment
- Dependence on the United States (47% of exports, 90% of remittances and FDI)
- Structural fragility of public and external accounts
- Significant inequality and poverty

## U.S. Embassy

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Antiguo Cuscatlán, La Libertad  
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<https://sv.usembassy.gov>