

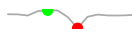




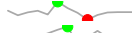










# Trade and Competitiveness Monitoring Note



## El Salvador

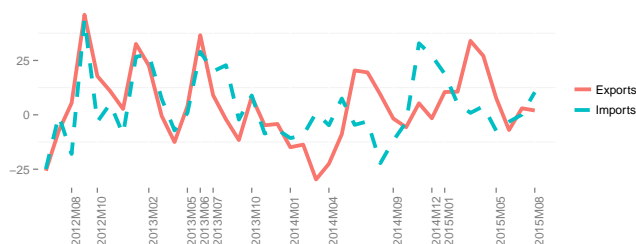
GDP (US\$ billions) (2015)	Population (millions) (2015)	Income per capita (current US\$) (2015)	Poverty rate (2013)	Unemployment rate (2015)	Ease of Doing Business Rank (2015)
26.4	6.1	4,303.9	3.2	5.4	97.0

### Macro Indicators

	Avg 2002-2011	2012	2013	2014	2015	2016	
GDP growth (annual %)	1.93	1.88	1.85	1.95	2.23	2.48	
Current account balance	-4.11	-5.35	-6.47	-4.56	-4.46	-4.86	
Cash surplus/deficit (% of GDP)	-3.45	-3.94	-4.04	-3.55	-4.11	-4.24	
Gross Fixed Investment (% GDP)	18.39	16.99	18.23	16.74	16.97	17.66	
Gross capital formation (% of GDP) [1]	15.51	14.14	14.96	13.58	—	—	
Foreign direct investment, net inflows (% of GDP) [2]	2.44	2.02	0.74	1.08	—	—	
Private capital flows, total (% of GDP) [2]	15.44	14.25	—	—	—	—	
Total Trade in Goods and Services (% of GDP, real terms)	101.77	99.81	102.53	98.85	100.70	102.45	
Trade balance (% GDP, real terms)	-21.86	-19.37	-19.73	-18.41	-18.94	-19.89	
Exports, Goods and Services, annual percent change (real terms)	3.61	-7.33	4.83	-0.95	3.90	3.50	
Imports, Goods and Services, annual percent change (real terms)	3.17	-4.60	4.48	-2.22	4.30	4.80	
Personal remittances, received (% of GDP) [1]	16.49	16.42	16.31	16.83	—	—	
General government gross debt [3]	41.88	55.20	55.25	56.83	59.81	62.14	
Total reserves in months of imports [1]	3.30	3.35	2.72	2.68	—	—	
Real Effective Exchange Rate (2010=100)	100.69	98.78	98.69	98.87	101.56	101.61	
Consumer Price Index, annual percent change	3.60	1.73	0.76	1.14	-1.11	-1.11	

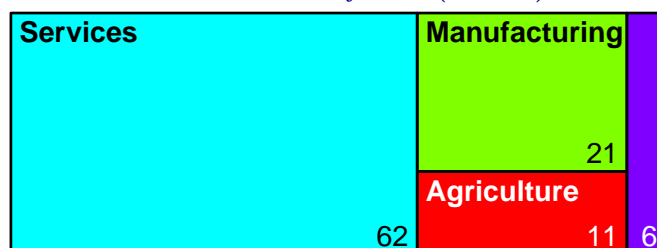
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014

<b>Bread, pastry, cakes, biscuits and</b>	<b>Non-alcoholic beverages, n.e.s.</b>	<b>Suits, ensembles, jackets, blazers,</b>
2	2	2

### Imports Categories by % of Total Value, 2014

<b>Consumer goods</b>	<b>Intermediate goods</b>	<b>Capital goods</b>
48	30	14
		7

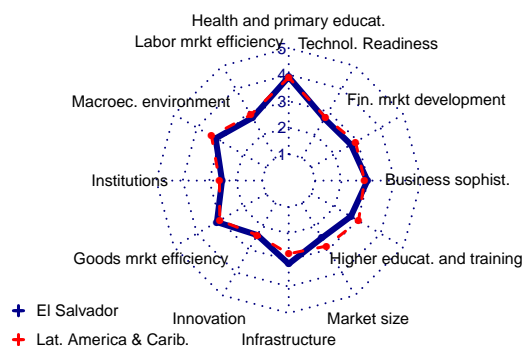
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Ranks (among all countries)

	DB 2015 Rank	DB 2016 Rank	Change in Rank
Dealing with Construction Permits	155	156	-1
Ease of Doing Business Rank	97	86	11
Enforcing Contracts	109	109	0
Getting Credit	71	15	56
Getting Electricity	106	107	-1
Paying Taxes	161	162	-1
Protecting Minority Investors	154	155	-1
Registering Property	71	71	0
Resolving Insolvency	76	79	-3
Starting a Business	120	125	-5
Trading Across Borders	38	46	-8

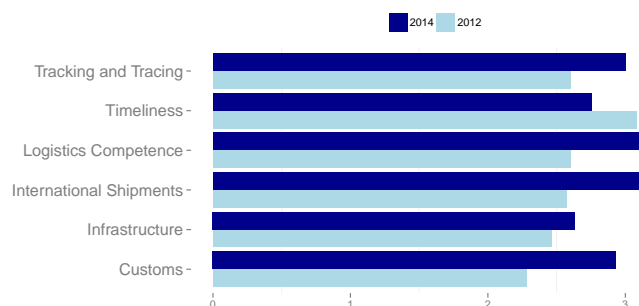
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-5, 5=best)



Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

	2010	2014
Applied Tariff (Incl. Prefers. and Trade-Weighted)	5	4.0
Binding (%)	100	100.0
Dispersion (Standard Deviation)	8.9	9.2
Import duties collected (% , 2011-2013) [1]	—	0.2
MFN Tariff (Agriculture)	12.3	12.2
MFN Tariff (Non-Agriculture)	4.8	4.7
MFN Tariff (Simple Average)	5.9	5.7
Services sectors with GATS commitments [1]	—	29.0

Sources: WITS, [1] WTO Trade Profiles

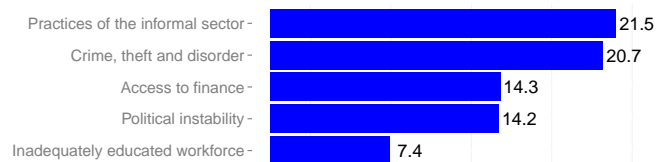
## Private Sector's Views

### Enterprise Survey 2013

	Latin America and Caribbean	El Salvador	All Countries
Number of electrical outages in a typical month	2.80	1.20	6.30
Percent of firms with a bank loan/line of credit	45.80	53.10	34.30
Proportion of investment financed by banks (%)	19.90	20.70	14.30
Proportion of investment financed internally (%)	62.90	50.80	71.80
Senior management time spent dealing with the requirements of government regulation (%)	14.00	19.60	9.90

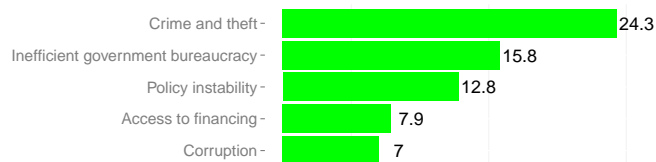
Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015