INTEGRATED NDC X SDG INSIGHTS
EL SALVADOR

This initiative explores the NDC - SDG impact and leverages data, systems and finance analysis to pinpoint policy accelerators tailored to national context and sustainable development vision.

OBJECTIVES

This initiative explores the NDC-SDG connections by leveraging data, systems and finance analysis to pinpoint policy accelerators tailored to national context and a sustainable development vision.

A ROBUST CASE FOR NDC 3.0

Backed by national data and AI-driven tools, to pinpoint where key investments through NDCs can drive progress across national development priorities.

ALIGN POLICY PATHWAYS

Build coherence and common ground to help decision-makers maximize positive outcomes across climate and development goals.

ACT WITH CONFIDENCE

Tailored recommendations on integrated policy approaches, investment strategies, and finance opportunities to implement national strategies that align climate actions with development goals.

HOW TO READ THIS REPORT

1

NDC x SDG Moment: human progress within planetary boundaries is the next development frontier. This section provides a snapshot of key climate and human development data.
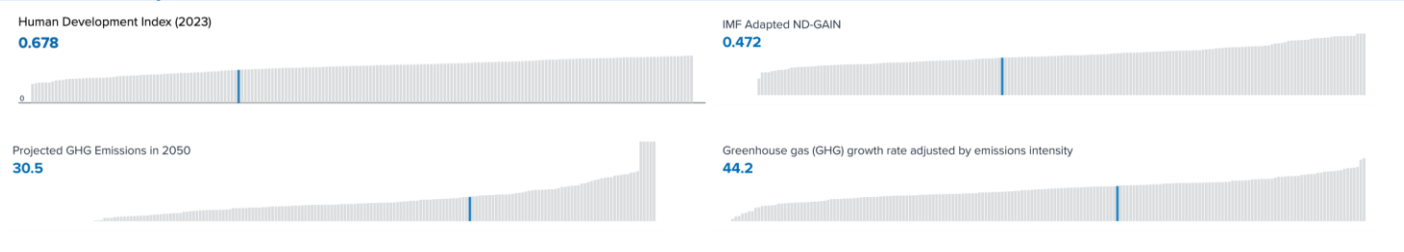
2

NDC x SDG Alignment: maps climate commitments and national development priorities using custom machine learning tool that draws from an SDG vocabulary of 100k terms.
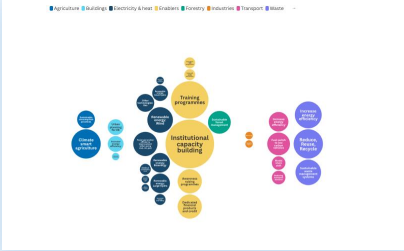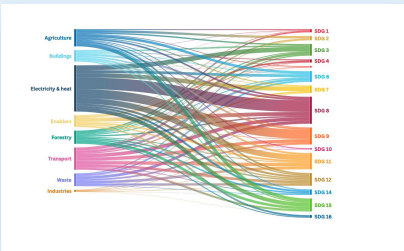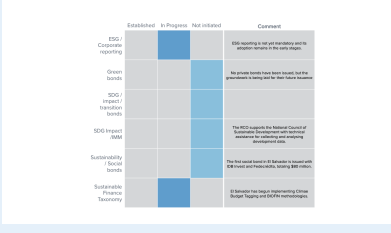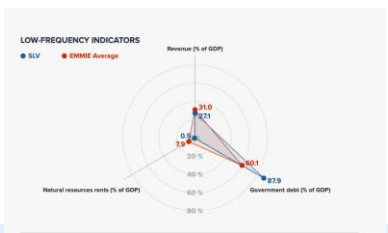

3

NDC x SDG Interlinkages: identifies national-level actions through enhanced NDCs that accelerate SDG achievement and advances a robust development case.

4

Finance & Stimulus: charts fiscal constraints and stimulus opportunities to ensure climate and development policy choices can be advanced with greatest impact.

NDC X SDG Moment

NDC X SDG MOMENT:

As part of their mitigation measures, El Salvador has set a target of reducing emissions of up to

819 KtCO2e

Human activities are causing significant climate change with severe environmental and socio-economic consequences. Integrating climate action for emissions reduction and enhanced resilience into development strategies can **advance human development and provide multiple co-benefits**.

The National Comprehensive Development Strategy 2023 seeks to promote the economic, social and cultural transformation of El Salvador, through accelerated, resilient and inclusive growth. The pillars of acceleration are strengthening human capacities; transforming the productive matrix; guaranteeing food, water and the protection of the biosphere; and innovation, clean energy and sustainable communities.

El Salvador is in medium human development category (132 out of 193 countries and territories) and the country's IMF Adapted ND-GAIN Index indicates vulnerability to climate disruptions and challenges in leveraging investments to adaptation actions. With a projected emissions score of 30.5/100 in 2050, El Salvador may need additional investments in achieving carbon neutrality.

El Salvador scores 4.3 out of 10 on the INFORM Climate Change Index, reflecting a medium risk due to climate change impacts. It is projected that this score will increase to 4.4 (SSP1/RCP4.5) and 4.6 (SSP3/RCP8.5) by 2050. The country also scores 0.472 on the 0-1 IMF-adapted ND-Gain Index, indicating moderate vulnerability to climate disruptions and readiness to leverage investments to adaptation actions.

El Salvador's score of 44.2 for its greenhouse gas (GHG) growth rate adjusted by emissions intensity suggests insufficient progress towards decoupling economic growth and carbon emissions in the past decade. Moreover, with a score of 30.5 out of 100 for projected emissions levels in 2050, El Salvador is expected to face challenges in achieving carbon neutrality.

El Salvador's projected Biodiversity Intactness Index indicates significant space for improvement under an optimistic scenario.

The implementation of climate change adaptation and mitigation measures established in the NDC contributes to reducing the vulnerability of key sectors for economic and social development, reducing financing needs and maintaining the path of reducing multidimensional poverty.

Human Development

Human Development Index (2023)
0.678

Climate Impact and Adaptation

INFORM Climate Change Risk Index

● Historical (2022) ● RCP 4.5 SSP 1 (2050) ● RCP 8.5 SSP 3 (2050)
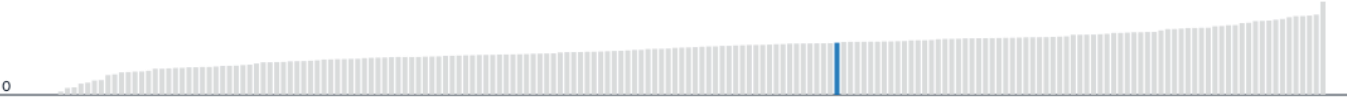
4.3   **4.4**   **4.6**

IMF-Adapted ND-GAIN (2021)
0.47

Mitigation

Greenhouse gas (GHG) growth rate adjusted by emissions intensity
44.17

Projected GHG Emissions in 2050
30.5

Biodiversity

Biodiversity Intactness Index

● Historical (2014) ● RCP 2.6 SSP 1 (2050) ● RCP 7.0 SSP 3 (2050)

0.36 **0.37**   **0.55**

NDC X SDG Alignment

NDC x SDG Alignment
Goal Level

These visuals are generated by analyzing the NDCs and National Development Plans **through the SDG framework at goal level. This analysis shows the most prominent SDGs in each of the two national strategies on climate and development.** This approach helps to **identify areas of common action and potential synergies across national climate and development priorities.**

NATIONALLY DETERMINED CONTRIBUTION

Note: Based on Nationally Determined Contribution of El Salvador (2021)

NATIONAL DEVELOPMENT PLAN(S)

Note: Based on: 1) Social Development Plan 2019-2024, 2) National Strategy for Integrated Development 2023

NDC X SDG ALIGNMENT
Target Level

These visuals are generated by analyzing NDC actions through a custom-built AI tool and categorized using the SCAN tool to surface relevant SDG synergies at the target level. This methodology provides a target level alignment of climate actions (mitigation and adaptation) with impact the SDGs for El Salvador.

MITIGATION NDCs

ADAPTATION NDCs

For additional information on the NDC-SDG mapping, please visit: **https://ambitiontoaction.net/scan_tool/**
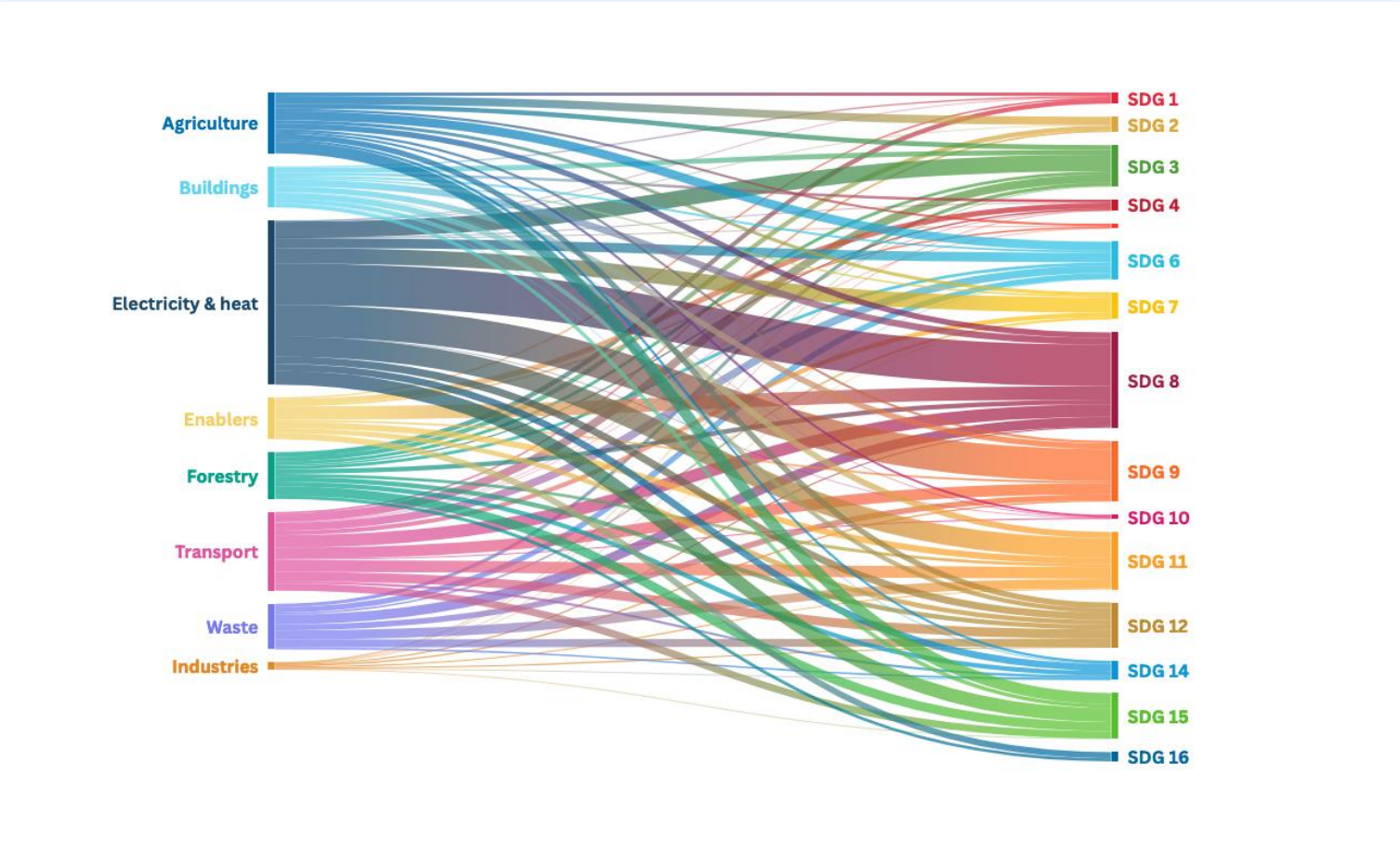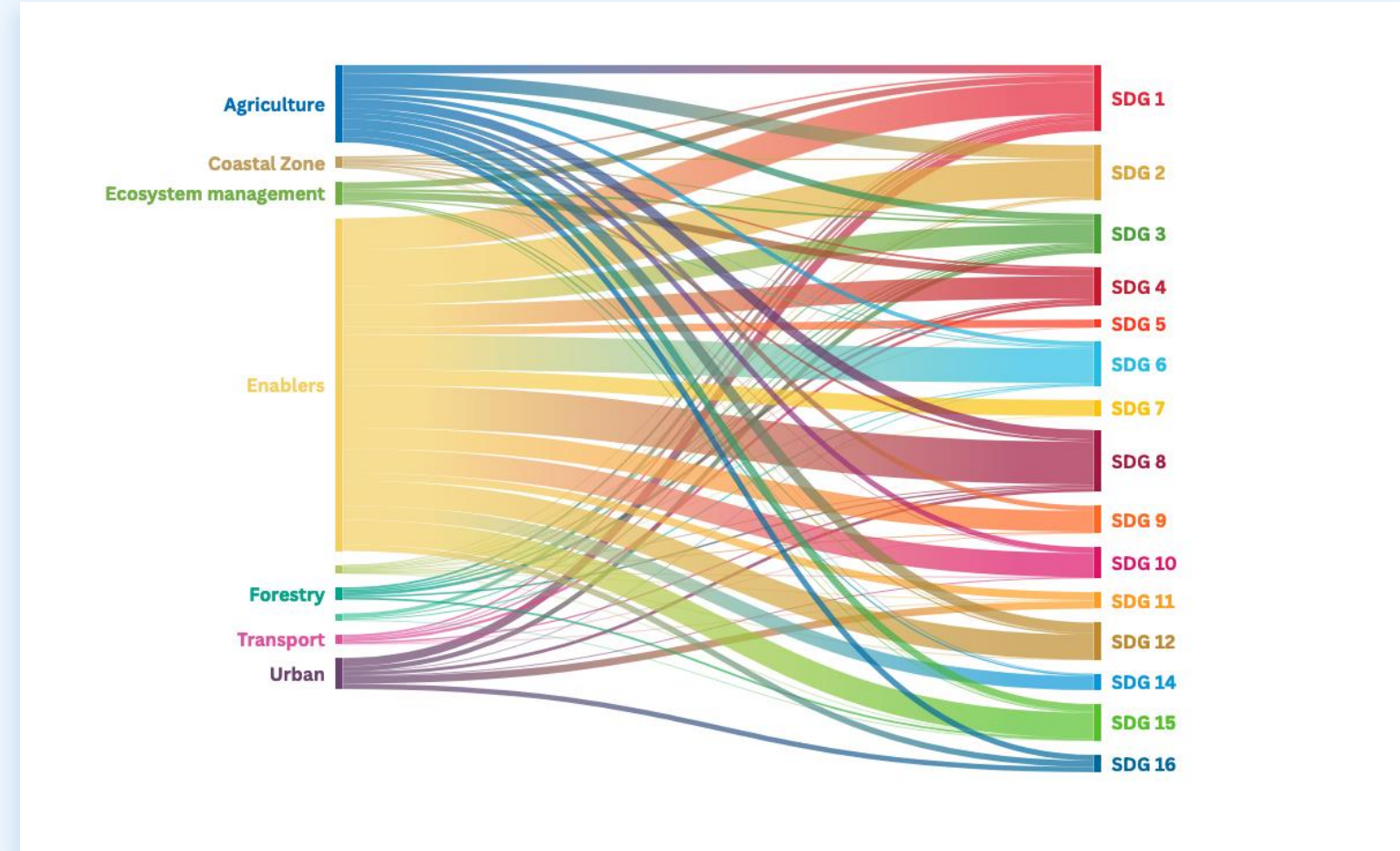
NDC X SDG ALIGNMENT
Action Level

This visual unpacks the NDC categories into the specific actions committed in El Salvador. The size of the bubbles reflects the number of NDC actions identified under each category, to identify NDC x SDG accelerators with precision.

El Salvador's NDC includes actions in these sectors:

Mitigation

■ Agriculture ■ Buildings ■ Electricity & heat ■ Enablers ■ Forestry ■ Industries ■ Transport ■ Waste →

Adaptation

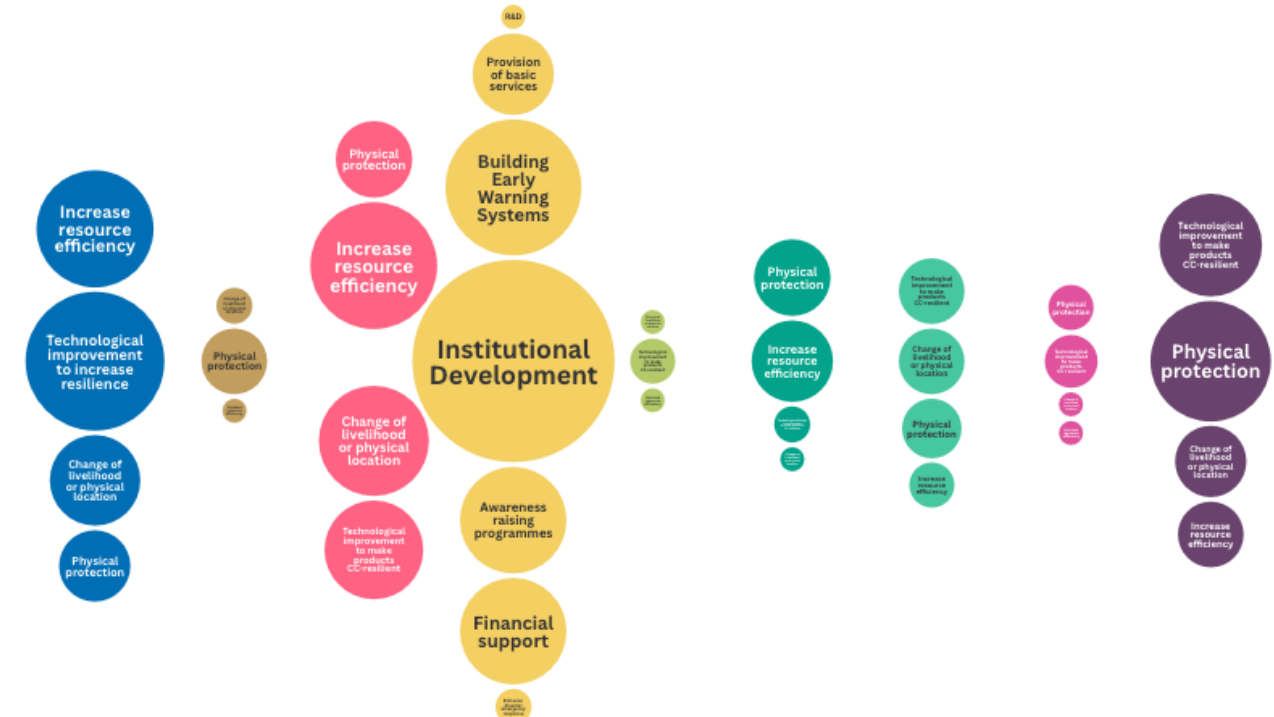■ Agriculture ■ Coastal Zone ■ Ecosystem management ■ Enablers ■ Energy ■ Forestry ■ Health ■ Transport ■ Urban →

NDC x SDG INTERLINKAGES Overview

NDC-SDG interlinkages reveal how climate actions can impact SDG progress. Understanding these interactions can help El Salvador to achieve the development objectives while fulfilling its climate ambitions and navigating trade-offs.

Building from the NDC actions and SDG priorities, the following integrated SDG pathways are identified as critical to achieve El Salvador development outcomes:

- **SDG Target 11.3:** Inclusive and sustainable urbanization
- **SDG Target 11.6:** Reduce the environmental impacts of cities
- **SDG Target 3.9:** Reduce illnesses and deaths from hazardous chemicals and pollution
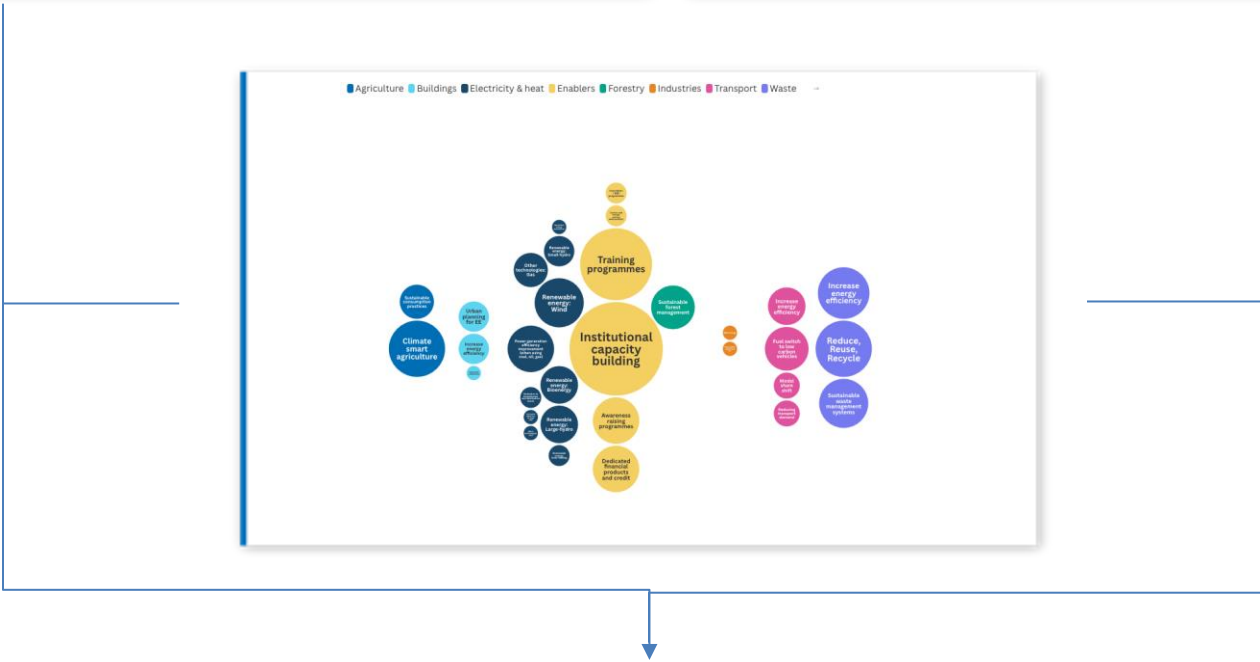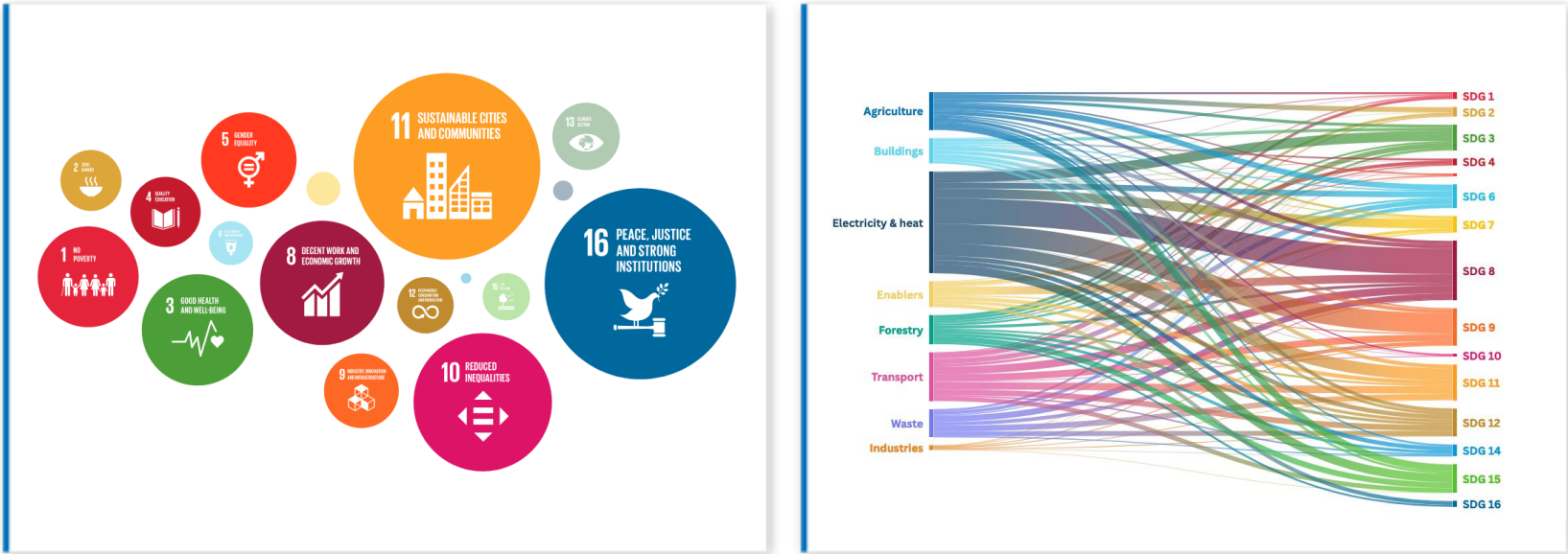
ACCELERATION PATHWAYS
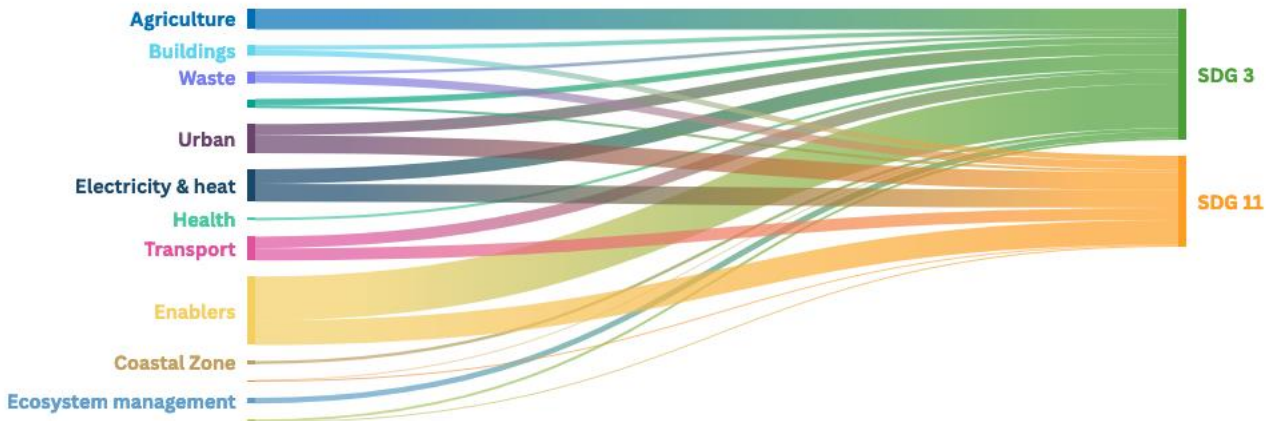
NDC X SDG Interlinkages

INTERLINKAGES

SDG 11.3 *Inclusive and sustainable urbanization*

El Salvador is taking significant steps to prioritize climate resilience by integrating a variety of adaptation measures aimed at enhancing both infrastructure and social frameworks. One of the key initiatives focuses on developing climate-resilient infrastructure, particularly road systems designed to withstand extreme weather events. This approach not only ensures uninterrupted connectivity to essential services during emergencies but also plays a critical role in reducing economic losses and mitigating the broader impacts of climate change.

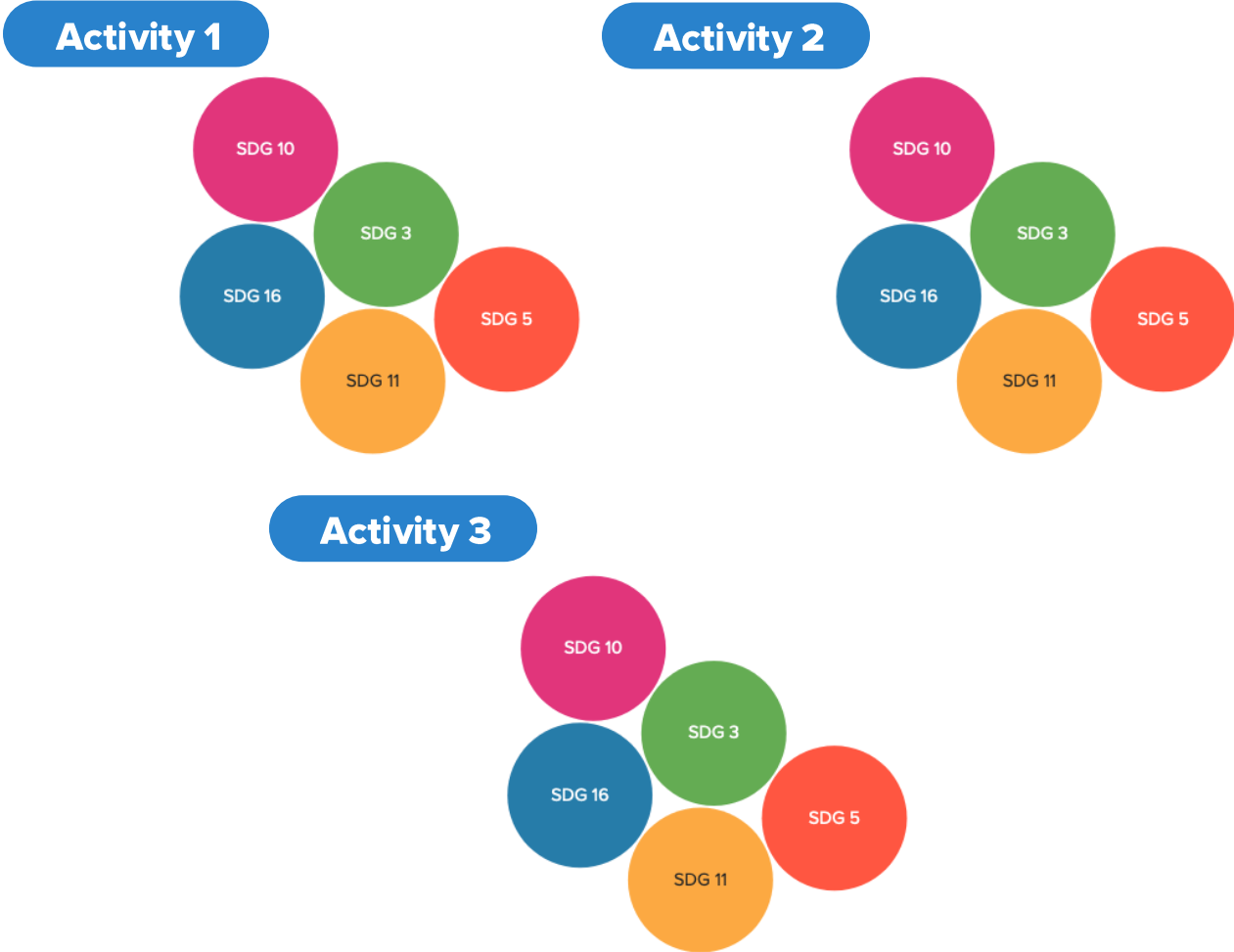In tandem with infrastructure improvements, El Salvador is implementing land restoration programs that actively engage vulnerable communities. These initiatives not only contribute to ecological recovery but also promote social cohesion and sustainable urban development, fostering a sense of community and shared purpose.
A cornerstone of El Salvador's climate resilience strategy is inclusive decision-making. By involving women, indigenous populations, and rural communities, the country is reinforcing gender equality and enhancing community participation. This inclusive approach ensures that diverse perspectives are considered, strengthening governance and fostering peaceful societies.

These efforts directly contribute to several Sustainable Development Goals (SDGs). For instance, they enhance access to healthcare during emergencies and reduce health impacts from climate-related disruptions (SDG 3). They empower women through their involvement in decision-making and urban development projects (SDG 5), and tackle inequalities by ensuring fair access to resources for marginalized groups (SDG 10). The focus on resilient urban systems and sustainable urban development directly supports SDG 11, while strengthening governance and community participation aligns with SDG 16.
Overall, these initiatives not only improve healthcare access and conserve biodiversity, but they also support a resilient ecological and social system that is better equipped to face the challenges of climate change.

Priority NDC Activities

Activity 1

Adaptation Measures for Road and Pavement Structures in the face of Climate Variability

Activity 2

Resilient road infrastructure to address geohazards from climate change

Activity 3

Land Restoration with inclusive participation of vulnerable communities, indigenous peoples, and generational change principles

NDC SYNERGIES WITH THE PRIORITY SDGS

Activity 1

SDG 10 · SDG 3 · SDG 16 · SDG 5 · SDG 11

Activity 2

SDG 10 · SDG 3 · SDG 16 · SDG 5 · SDG 11

Activity 3

SDG 10 · SDG 3 · SDG 16 · SDG 5 · SDG 11

INTERLINKAGES

SDG 11.6 — **Reduce the environmental impacts of cities**

El Salvador is charting a course towards sustainable urban development by focusing on creating adaptable, resilient, and low-emission cities. A critical component of this strategy is promoting sustainable urban planning, which encourages efficient land use and spatial organization. These efforts aim to improve access to essential socioeconomic services, such as employment, transportation, and recreational opportunities. By supporting climate-resilient urban design, El Salvador aims to reduce vulnerability to climate impacts and ease pressure on natural resources. Additionally, the integration of low-carbon infrastructure, including sustainable transport systems, plays a key role in reducing fossil fuel use, improving air quality, and mitigating climate change.

In line with these urban planning efforts, El Salvador is also emphasizing efficient waste management and circular economy practices. By adopting circular economy approaches that focus on recycling and minimizing waste, the country conserves resources and reduces urban pollution. These practices not only enhance public health—contributing to SDG 3 by lowering exposure to hazardous chemicals and improving the urban environment—but also engage vulnerable communities in waste management. This engagement fosters social cohesion, aligns with SDG 16, and promotes gender equality as outlined in SDG 5.

These initiatives have a direct impact on several Sustainable Development Goals (SDGs). They advance sustainable and resilient urban systems (SDG 11), enhance public health through pollution reduction (SDG 3), and empower marginalized groups and women by facilitating inclusive participation (SDG 5). Additionally, these efforts contribute to reducing inequalities in access to sustainable resources and benefits (SDG 10) and protect urban ecosystems and biodiversity (SDG 15).

Through these comprehensive measures, El Salvador is laying the groundwork for urban environments that are not only sustainable and resilient but also inclusive and low-emission, ensuring a healthier and more equitable future for all its citizens.

Priority NDC Activities

Activity 1

Adaptable, Resilient, and Low-Emission Cities in El Salvador for Sustainable Urban Development

Activity 2

Comprehensive support for waste management in 262 Districts in 44 Municipalities: Capacity Building, Local Waste System Development, Solid Waste Collection, 3Rs Promotion, Circular Economy and Equipment for Efficient Waste Management

NDC SYNERGIES WITH THE PRIORITY SDGS

Activity 1

SDG 10 · SDG 3 · SDG 16 · SDG 5 · SDG 11

Activity 2

SDG 11 · SDG 3 · SDG 5 · SDG 10

INTERLINKAGES

SDG 3.9 — Reduce illnesses and deaths from hazardous chemicals and pollution

The approval and implementation of the General Water Resources Law in El Salvador marks a significant advancement in the governance of water resources, fostering equitable and transparent management practices. This law promotes inclusive decision-making by actively engaging a diverse array of stakeholders, including marginalized communities. By doing so, it helps to reduce potential conflicts over water access and usage, thereby fostering peaceful coexistence among various users.

In addition to governance improvements, El Salvador is focused on optimizing agricultural practices. This involves encouraging collaboration between farmers, policymakers, and local organizations to enhance sustainable food production. By reducing reliance on harmful chemicals, this initiative ensures that agricultural practices are safe and equitable. Furthermore, these adjustments build resilience against climate change, helping to mitigate risks associated with resource-based disputes.

The efforts tied to the General Water Resources Law and agricultural optimization have a direct impact on several Sustainable Development Goals (SDGs). For instance, they improve public health by reducing pollution-related illnesses (SDG 3) and promote gender equality by involving women and marginalized groups in decision-making and resource management (SDG 5). Additionally, these initiatives contribute to reducing inequalities by ensuring fair access to essential water resources (SDG 10) and support sustainable urban development through enhanced access to clean water and improved resilience in urban areas (SDG 11).

Moreover, these practices are aligned with SDG 14, as they protect aquatic ecosystems through sustainable methods, and strengthen institutions, promote inclusive decision-making, and foster peaceful societies, which is in line with SDG 16. There are also contributions to food security and responsible consumption, connecting to both SDG 2 and SDG 12.
Overall, these actions not only build climate resilience and reduce inequalities but also promote long-term environmental sustainability, playing a vital role in contributing to peaceful and inclusive societies within El Salvador.

Priority NDC Activities

Activity 1

Approval and start of implementation of the General Law on Water Resources

Activity 2

Climate adaptation for agriculture and livestock in 87 municipalities, benefitting 5,000 producers in Usulután, San Miguel, La Unión and Morazán

NDC SYNERGIES WITH THE PRIORITY SDGS
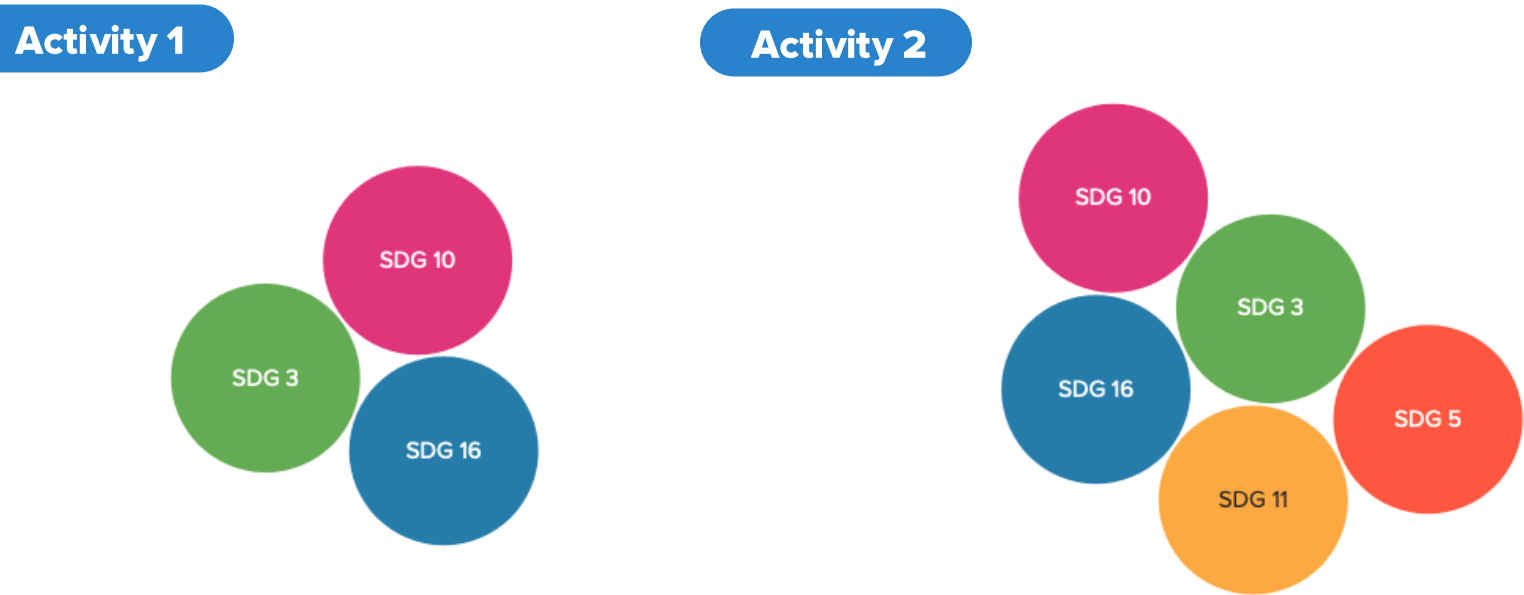
Activity 1

- SDG 10
- SDG 3
- SDG 16

Activity 2

- SDG 10
- SDG 3
- SDG 16
- SDG 11
- SDG 5

Finance & Stimulus

El Salvador's projected Biodiversity Intactness Index indicates significant space for improvement under an optimistic scenario.

FINANCE & STIMULUS

Public finances are constrained by public debt. The non-financial public sector debt balance, excluding pensions, was 57.3% of GDP in September 2024, and grew 4.4% compared to the end of 2023. The pension debt balance is approximately 29.2% of GDP. The country risk, measured by the emerging market bond index, was 4.2 points on December 4th, 2024.

The government presented the 2025 budget proposal that will not require borrowing for public expenditure. In addition, the government has bought back Salvadoran debt bonds, and in the last operation decided that the savings will be invested in the restoration of the country's main river.

The government's current priority is the economy, particularly accelerating economic growth. The Salvadoran economy is characterized by low growth with an average of 2.1% in 1991 -2020. In 2023, the economy grew 3.5% and is projected to grow 3.0% in 2024. The economy is highly dependent on remittances, which accounted for 24.1% of GDP in 2023.

LOW-FREQUENCY INDICATORS
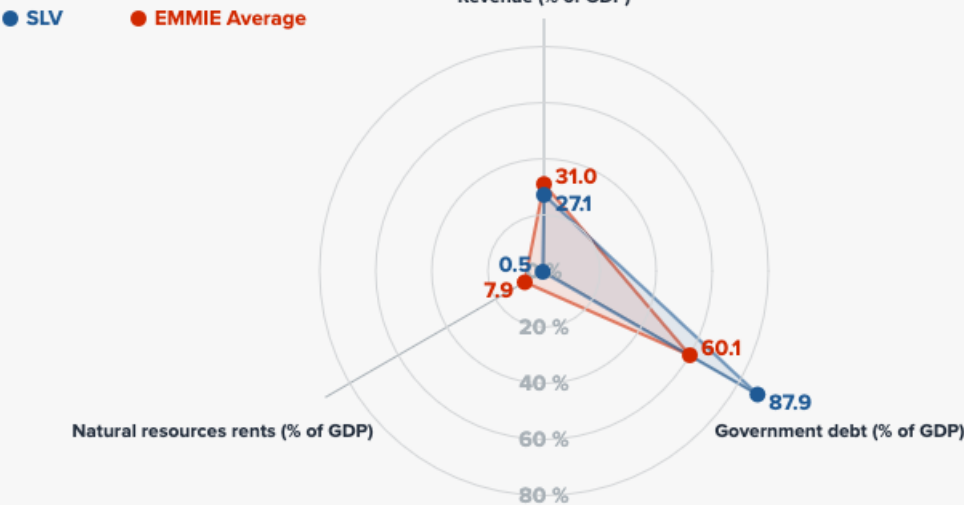
● SLV   ● EMMIE Average

Notes: External debt covers public and publicly guaranteed debt. The credit rating shows the numerical average of S&P's and Moodys' ratings, expressed in S&P's scale in brackets. The EMMIE average of resource revenue (% of revenue) includes the 96 economies that reported data for that indicator.

Sources: WDI (natural resources rents, data from 2021). UNU-WIDER GRD (resource revenue, data from 2021). IMF WEO April 2025 (debt and revenue, forecasts for 2025). IDS (external debt, data from 2024). Credit ratings based on S&P and Moody's (as of 23 May 2024).

PUBLIC FINANCE

Financing needs

NDC 2.0: Estimated $1.05 billion USD total by 2030

- Mitigation: $712.1m
- Adaptation: $333.9m
- Integrated Climate Strategies: $4.96m

Financing strategy

Financing Strategy: Double Dividend Climate Financing

El Salvador's climate financing strategy is centered on the **Double Dividend Climate Financing** approach, which aims to achieve both economic growth and environmental sustainability. This strategy focuses on mobilizing resources through innovative instruments, such as green bonds, blended finance, and public-private partnerships, to:

1. **Enhance Economic Development:** Invest in renewable energy, sustainable agriculture, and low-carbon infrastructure to create jobs, stimulate local economies, and improve livelihoods.

2. **Achieve Climate Goals:** Direct funding towards mitigation and adaptation projects that reduce emissions, enhance resilience, and safeguard ecosystems in alignment with NDC targets

Expenditures & budgets

The Ministry of Finance, supported by UNDP, is implementing the **Climate Budget Tagging** methodology to align national budgets with climate objectives, and **Biodiversity Finance Initiative** (BIOFIN): Supports identifying and mobilizing resources for biodiversity conservation.

Debt instruments

In 2024, El Salvador completed the largest **debt-for-nature swap**, with over $1bn , including $350m allocated to the Lempa River watershed restoration

The first social bond in El Salvador is issued with IDB Invest and Fedecrédito, totaling $80m. An initial $40m tranche includes $20m subscribed by IDB Invest, with co-investors covering the remainder.

International climate finance

El Salvador has benefited from **GEF funding** to support projects in biodiversity, climate change mitigation, and adaptation. Total GEF financing is $9.6m, with $8m explicitly dedicated to climate change.

The country accesses **GCF resources** for projects in renewable energy, sustainable agriculture, and water management. Total GCF financing is $112.8 million.

PRIVATE FINANCE & ECONOMY

Policy & Regulatory Measures:

	Established	In Progress	Not initiated	Comment
ESG / Corporate reporting		■		ESG reporting is not yet mandatory and its adoption remains in the early stages.
Green bonds			■	No private bonds have been issued, but the groundwork is being laid for their future issuance
SDG / impact / transition bonds			■	
SDG Impact /IMM			■	The RCO supports the National Council of Sustainable Development with technical assistance for collecting and analysing development data.
Sustainability / Social bonds			■	The first social bond in El Salvador is issued with IDB Invest and Fedecrédito, totaling $80 million.
Sustainable Finance Taxonomy		■		El Salvador has begun implementing Climae Budget Tagging and BIOFIN methodologies.

Innovative Instruments:

La Cuenta del Mar (Banco Agrícola). Protects mangroves through a partnership with Mastercard and Fundación Doménech.

FIAES Environmental Fund: FIAES mobilizes resources to finance conservation and sustainable agriculture projects, mitigating risks for private sector investments while fostering community resilience.

Energy Efficiency Financing Facility (The Development Bank of El Salvador, BANDESAL), Provides concessional loans, technical validation, and energy savings insurance for Small and Medium-sized Enterprises. Supported by IDB and the Green Climate Fund.

International Investment:
El Salvador participates in global programs such as EUROCLIMA (**€1.1 million**), the Green Climate Fund (GCF, **$57.5 million**), and the Global Environment Facility (GEF, **$5.13 million**), securing a total of approximately **$63 million** for renewable energy, sustainable agriculture, and climate resilience initiatives.

Domestic Investment:
The significant improvement in security has had a positive impact on the business climate and private investment.

PRIVATE INVESTMENT AS PERCENTAGE OF GDP

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023
%	13.2%	13%	13.5%	14.5%	15.4%	15%	18.7%	19.7%	19.5%
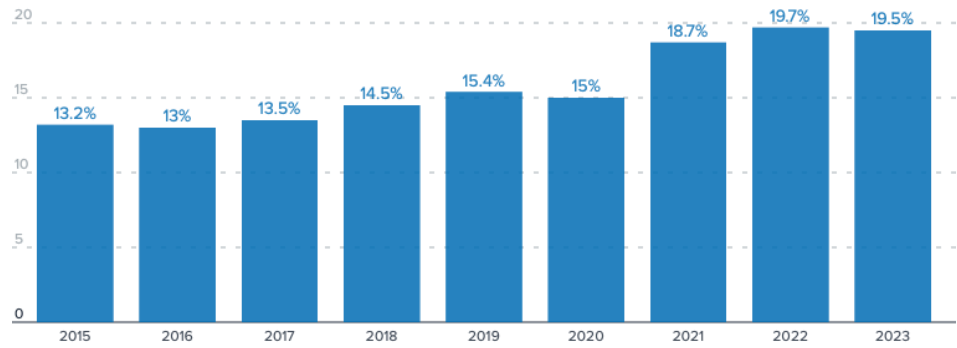
Source: Central Bank of Reserve

SDG Investor Map
El Salvador presents 11 Investment Opportunity Areas (IOAs) aligned with its NDC priorities and SDGs. Key sectors include:
- **Renewable Energy**, focusing on solar, wind, and geothermal projects (**SDGs 7, 13**)
- **Sustainable Agriculture**, promoting climate-resilient farming and agroforestry (**SDGs 2, 12, 15**).
- **Green Urban Infrastructure** investments target low-emission buildings, sustainable public transport, and efficient waste management (**SDGs 9, 11, 13**).
- **Circular Economy** emphasizes recycling facilities and reduced plastic pollution (**SDGs 6, 12, 14**).
- **Innovative Financial Instruments** like green bonds and public-private partnerships mobilize resources for climate action (**SDG 17**).

METHODOLOGY

NDC X SDG MOMENT

Methodology
Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability.

Data Sources
- UNDP 2024 (Human Development Index)
- European Commission 2023 (INFORM Climate Change Risk Index),
- IMF 2022 (IMF-Adapted ND-GAIN Index);
- Environmental Performance Index 2024 (GHG growth rate adjusted by emissions intensity & Projected Emissions in 2050);
- Helen Phillips; Adriana De Palma; Ricardo E Gonzalez; Sara Contu et al. 2021 (Biodiversity Intactness Index).

ALIGNMENT & INTERLINKAGES

Methodology
NDC activities from El Salvador's NDC submission are extracted. These are mapped with Mitigation or Adaptation Actions defined by SCAN-Tool initiative, which finds interlinkages between these Actions and the SDGs. Accordingly, synergies and trade-offs between NDC activities and the SDGs are identified.

Data Source
NDC activities data are from NDC-SDG Connections(Connecting climate action to the Sustainable Development Goals | NDC-SDG Connections (idos-research.de)); Mitigation or Adaptation Actions are defined by SCAN-Tool (Scan tool - Ambition To Action).

FINANCE & STIMULUS

Methodology
Provides an overview of the financing options for NDC implementation.

Data Source
TBD