



## FACT SHEET

# USAID ECONOMIC COMPETITIVENESS PROJECT

USAID's Economic Competitiveness Project partners with the Salvadoran government and the private business sector to generate tangible growth, create jobs, stimulate innovation, and catalyze policy reform that contributes to economic development and security to reduce irregular migration. The project supports the creation of new opportunities by expanding exports, diversifying products, facilitating entrance to new markets, and strengthening services for micro, small and medium businesses.

In an increasingly competitive global market, Salvadoran businesses confront many challenges, including strengthening business management, accessing markets, and the availability of a workforce with the the skills needed to produce competitive exports. The Salvadoran economy is mainly comprised of micro, small and medium enterprises (MSMEs), which have limited time and resources to understand and comply with the complex standards of export markets, which require investments in qualitative improvements.

Through this project, USAID will strengthen Salvadoran MSMEs in the industrial and service sectors that have the greatest potential for economic growth. The selected MSMEs will be located in the 50 municipalities prioritized under El Salvador's security plan to help create greater economic opportunities and jobs in those municipalities as alternatives to crime and violence and irregular migration.

In line with this, the project will work with selected municipal governments to improve municipal services for business activities and growth. Through municipal competitiveness committees, USAID will support the establishment of business improvement districts that include initiatives for citizen security, business improvements and beautification of the geographic area to promote investment.

In addition, the project helps strengthen and expand government and private business support associations to increase the number of MSMEs receiving assistance and access to credit. USAID also promotes innovation and technological development for MSMEs for new product development and supports a seed capital fund for business start-ups.

The project also helps MSMEs to access export markets by developing high quality products and meeting international health and safety standards. Through alliances with large export enterprises, the project will help MSMEs become suppliers by developing the quantity and quality of products required by these companies.

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TOTAL INVESTMENT: \$48 million

PERIOD: April 2017 – March 2022

GEOGRAPHIC AREA: Nationwide

### PARTNERS:

- Ministry of Economy (MINEC)
- National Commission of the Micro and Small Business (CONAMYPE)
- Export and Investment Promotion Agency of El Salvador (PROESA)
- Productive Development Fund (FONDEPRO)
- Municipalities
- Micro and Small Business Development Centers (CDMYPES)
- Association of CDMYPES Operating Institutions (ACDMYPE)
- Academia
- El Salvador Exporters Corporation (COEXPORT)
- Salvadoran Industry Association (ASI)
- Salvadoran Foundation for Economic and Social Development (FUSADES)
- Salvadoran Chamber of Commerce and Industry (CAMARASAL)
- Salvadoran Chamber of Information and Communication Technologies (CASATIC)

For more information on USAID El Salvador and USAID Central America Regional Programs, please call: (503) 2501-3411; 3344; 3432 or visit [www.usaid.gov/el-salvador](http://www.usaid.gov/el-salvador)