



MAPPING: KEY FIGURES

NATIONAL REPORT: EL SALVADOR

ICA – EU PARTNERSHIP

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I. INTRODUCTION AND CONTEXT

This report is part of a Mapping exercise launched by the International Cooperative Alliance and its regional offices, within the framework of a partnership signed with the European Commission for the period 2016-2020. The programme aims to strengthen the cooperative movement and its capacity to promote international development. Other research projects led within this partnership include a worldwide Legal Frameworks Analysis, and several thematic researches on themes of significance for cooperatives.

Responding to challenges and existing knowledge gaps facing the cooperative movement, this research seeks to provide exhaustive information on cooperatives worldwide. This is achieved through a process jointly conducted by the ICA and its four regional offices – Cooperatives of the Americas, Cooperatives Europe, ICA Africa, and ICA Asia-Pacific – using a common methodology. Each office collected the input of ICA members present in the countries within its geographic area, by using the same questionnaire, and completing it with relevant national statistics, in order to obtain an accurate picture of the national situation.

Mapping out cooperatives in each country provides a more precise picture of the cooperative context at national and regional levels, enhances the movement's visibility, networking, partnerships opportunities, as well as advocacy, and empowers cooperators by providing them tools for positive change.

Within this framework, the present report showcases information about the cooperative landscape in El Salvador.

i. Historical background

According to the official site of Insafocoop¹, in El Salvador cooperativism was heard, for the first time, in a theoretical way, in a teaching chair in the Faculty of Jurisprudence and Social Sciences of the National University. It was in 1914, that the first cooperative was organized, by a group of shoemakers, in San Salvador on the Palo Verde slope and in 1938, La Cooperativa Algodonera was founded. Later, cooperativism reached the union of public employees, as a means of defense against "agiotism".

The cooperatives had the support of the government in turn, which provided initial capital, but the employees identified the capital ceded by the government, as their property and did not believe that they were obliged, for that reason, to repay the amounts granted to them, on loan.

Thus, under the emergence of sections and departments in government institutions, the sector began its growth until the State decides to centralize this role in a single Institution that directs and coordinates cooperative activity in the country.

It was on November 25, 1969 that the Legislative Assembly promulgated Decree No. 560 that gave rise to the creation of INSAFOCOOP as a public law corporation with autonomy in economic and administrative aspects, that same day the first General Law of Cooperative Associations.

In the absence of a budget that would allow its operation, INSAFOCOOP began operating until July 1, 1971. Today, with more than 40 years serving the cooperative sector, the institution has grown by decentralizing its work in offices located in different areas of the country giving a service through its regional offices throughout the width and length of El Salvador.

¹ Insafocoop. (s.f.). History of cooperatives. Available at: <http://www.insafocoop.gob.sv/historia-del-cooperativismo/>

ii. Public national statistics

For a more comprehensive picture of the cooperative movement in El Salvador, the present section provides key data from the country's public registers as a useful background context to the ICA members' data showcased in Section II of the report.

The data presented here comes from Insafocoop's statistical reports for the Government of El Salvador².

NUMBER OF COOPERATIVES:

Insafocoop reports as of July 31, 2020, a total of 1 309 active cooperatives in El Salvador.

EMPLOYMENT:

Insafocoop does not report data on direct jobs generated by Salvadoran cooperatives.

COOPERATIVE MEMBERSHIP:

Insafocoop reports as of July 31, 2020, a total of 604 389 members of active cooperatives, of which 52% are women and 48% are men.

PRODUCTION VALUE:

It is reported for the year 2018, that the Salvadoran cooperatives generated sales of 75 million US dollars (USD), which is approximately 66 million euros (EUR).³

² Insafocoop. (s.f.). Statistical data Insafocoop. Available at:
<https://www.transparencia.gob.sv/institutions/insafocoop/documents/estadisticas>

³ Exchange rate in December 2018 from InfoEuro, 1EUR = 1.14USD

iii. Research methodology

The aim of the mapping research is to collect and make publicly available reliable and up-to-date data to understand what the cooperative movement represents in the targeted country. With this view, the data detailed in the present report has been collected using the methodology detailed below.

The methodological tools include a questionnaire used to collect the data, which was distributed online to the members, as well as a methodological note provided for further guidance. They were built jointly with all ICA regional offices with the support of external experts from the European Research Institute on Cooperative and Social Enterprises (Euricse) and are applied in a harmonised way in all the target countries.

The classifications used in the research are consistent with the internal system used within the ICA movement (e.g. on membership status and types of cooperative organisations) and with standards increasingly adopted in recent studies and by international organisations like the ILO – e.g. using international classifications of economic activities such as the International Standard Industrial Classification (ISIC) rev. 4, which ensures the comparability of statistics both nationally and internationally, as well as with statistics on other forms of enterprises.

Regarding the target organisations, considering that a worldwide survey has very challenging goals, and while the value of directly collecting data from non-member cooperatives must be recognised, the present Mapping exercise targets cooperative organisations members of the ICA.

Furthermore, in order to complete the ICA members' data, the decision was taken to also look at external sources, to provide additional and more exhaustive cooperative statistics for the country. As a result, the data is collected following two strategies contemporaneously: 1) collecting statistics already available in the country; 2) carrying out a survey targeting ICA cooperative members.

In El Salvador, the mapping questionnaire was distributed and completed by 1 ICA member organization. After further follow-up of the surveyed members, the figures provided were compiled to be presented in the next section.

II. KEY FIGURES

This section presents the results of data collection conducted by ICA members.

Costa Rica has 8 ICA member organizations (7 full members and 1 associate member):

- **Federación de Asociaciones Cooperativas de Ahorro y Crédito de El Salvador (FEDECACES).** Full member.

It is a second-tier cooperative organization, founded in 1966, with more than 115 agencies nationwide that serve various sectors of the Salvadoran population, be they private or public salaried workers, micro and small businesses, artisans, farmers, professionals, and small and medium producers among others; providing financial intermediation services. Sector: Apex.

ICA member organizations are directly or indirectly active in the following sectors:

- Banking

iv. ICA member data

The data collected was provided for the year 2018, in order to present more relevant information.

v. General overview

This section provides an overview of the ICA membership data for El Salvador. It is displayed in various categories and supported by tables and graphs, for clarity.

Category	Total
Number of cooperatives	23
Number of memberships	282 525
Number of employees	1 918

Overall, ICA members represent 23 cooperatives in the country, with a total number of memberships of 282 525 and a total number of 1 918 employees.

vi. Sector overview

The sectors used below correspond to the categories used in the ISIC rev. 4. to classify the economic activities carried out by the organisations concerned. With regards to the turnover, where available, the amount is provided in US Dollars (USD).

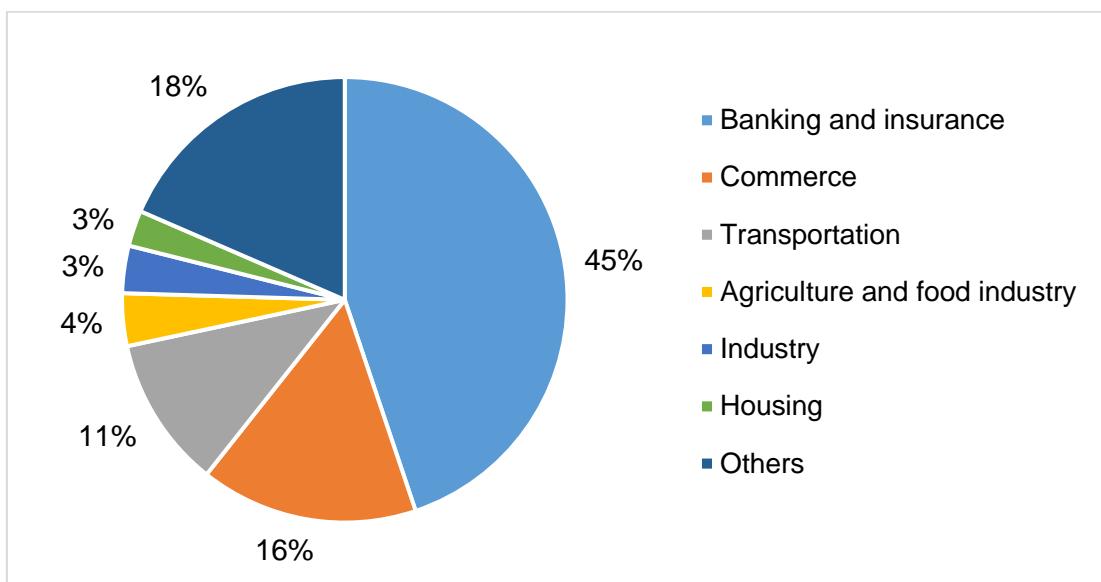
A general overview is provided in the chart below:

Sector	Cooperatives	Memberships	Turnover
Banking and insurance	587	585.293	52.591.372
Commerce	207	5.123	9.780.873
Transportation	144	2.822	2.996.923
Agriculture and food industry	50	1.134	280.833
Industry	45	737	688.970
Housing	34	1.238	0
Professional services	22	376	1.535
Education	1	17	0
Others	219	7649	8.985.493
Total	1.309	604.389	75.325.998

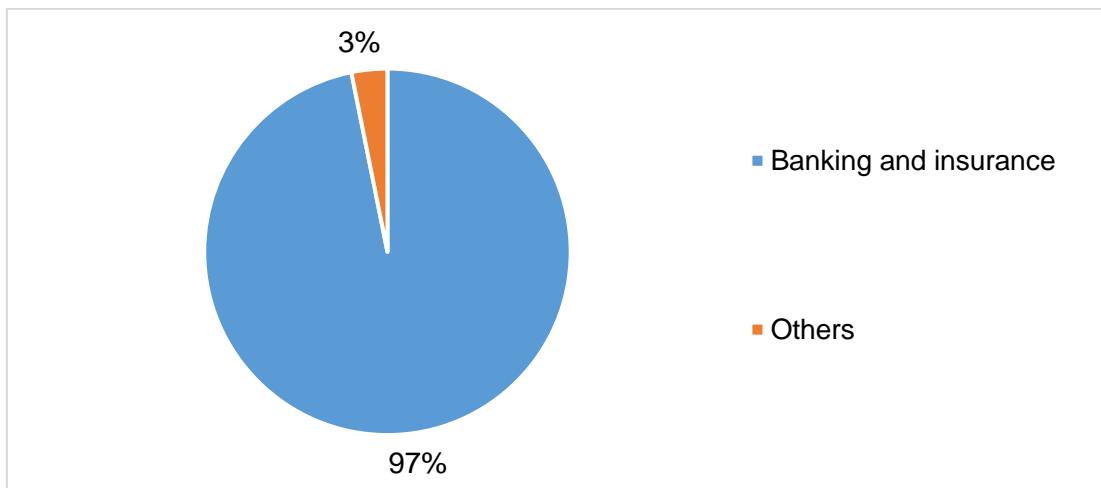
III. GRAPHS

Specific variables are also detailed in the graphs below when sectorial data was available.

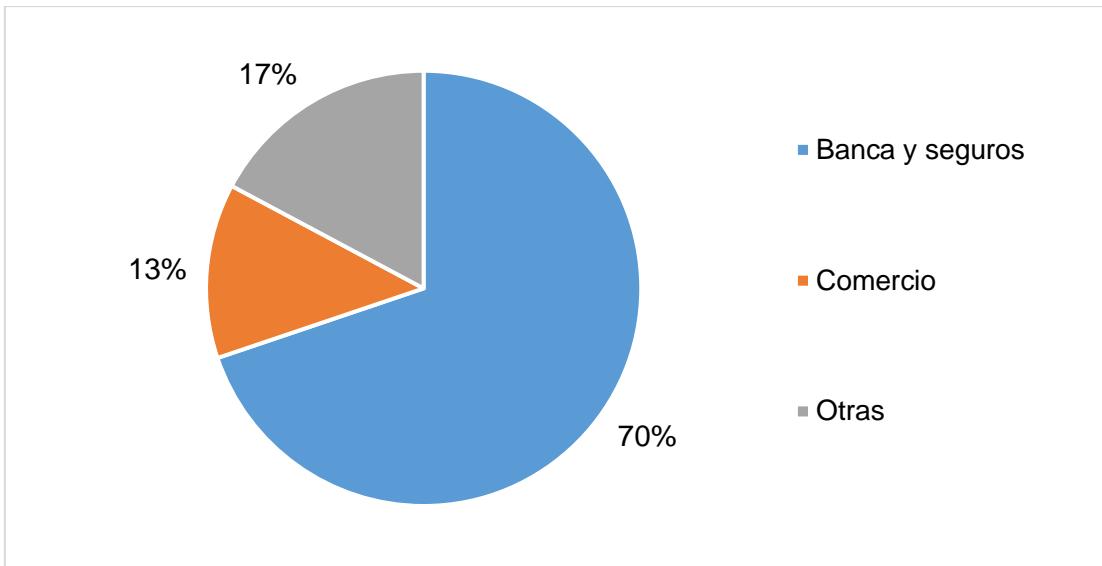
vii. Percentage of total cooperatives by sector



viii. Percentage of total memberships by sector



ix. Percentage of total turnover by sector



IV. ANNEXES

Sources:

Insafocoop. (s.f.). History of cooperatives. Available at:
<http://www.insafocoop.gob.sv/historia-del-cooperativismo/>

Insafocoop. (s.f.). Statistical data Insafocoop. Available at:
<https://www.transparencia.gob.sv/institutions/insafocoop/documents/estadisticas>

Contacts

Further details on the Mapping research and other country reports are available on www.coops4dev.coop

The production of this report was overseen by staff from Cooperatives of the Americas and the International Cooperative Alliance. For any further information or clarification, please contact mappingresearch@ica.coop or with the Research Officer for Cooperatives of the Americas carlos.gonzalez@aciamericas.coop

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