El Salvador

The public sector in El Salvador is one of the smallest of the LAC region

In 2014, the Salvadoran government collected about 18% as a share of GDP on revenues, the third lowest in the LAC region. Amounting to 8.3% of total employment, public employment was the second-lowest in the region compared to a regional average of 12%. Of the total budget, only 9.5% was spent on social benefits, compared to a regional average of 24.6%. Improving the quality of public services and ensuring that they reach the poorest segments of the population would require strengthening public institutions, for example by making sure that sufficient human and financial resources are available.

Chapter 2: Public finance and economics
2.6. General government revenues as a percentage of GDP, 2007, 2009, 2014 and 2015
2.14. General government expenditures as a percentage of GDP, 2007, 2009, 2014 and 2015
2.19. Structure of general government expenditures by economic transaction, 2014 and change 2007 to 2014

Chapter 3: Public employment
3.1. Public sector employment as a percentage of total employment, 2009 and 2014

El Salvador has achieved significant progress in human resources (HR) planning of the public sector

El Salvador achieved the largest increase in the region on the HR planning index score between 2004 and 2012, from 7/100 to 40/100, significantly above the average regional increase (from 31/100 to 42/100). Among other things, the index measures an organisation's priorities and strategic orientation as a way to determine staffing needs, personnel information systems, degree of over/understaffing per institution, personnel technical skills, etc. The increase could be partly explained by the update of the job descriptions used by the central administration. However, more needs to be done to ensure real strategic thinking in HR planning by focusing on forecasting the right mix of employee skills that will be needed to respond to citizens' demands.

Chapter 6: Human Resources Management
6.1. HR planning in the public sector (2004 and 2012-2015)

While El Salvador has introduced initiatives related to open government, is one of the few LAC countries without an open government data portal

Along with 38% of LAC countries, El Salvador incorporates open government initiatives in other government strategies. As such, it has taken steps to increase transparency, guarantee accessibility of government services and information, and ensure responsiveness to new ideas, demands and needs. However, there is room for further progress, since El Salvador is among the few LAC countries that have not yet established a single point of access (open data portal) for government datasets.

Chapter 8: Digital and open government
8.13. Existence of national open government strategy
8.20. Central/federal government support to open government data, 2015
8.21. *OURdata* Index: Open, Useful, Reusable Government Data, 2015

GOVERNMENT INPUTS: FINANCIAL AND HUMAN RESOURCES
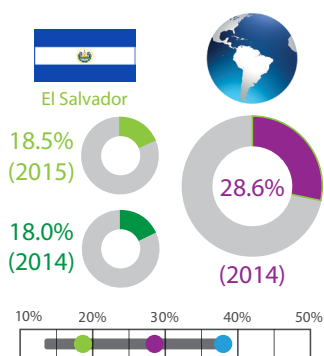
Public Finance & Economics   Public Employment & Compensation

Public Finance and Economics
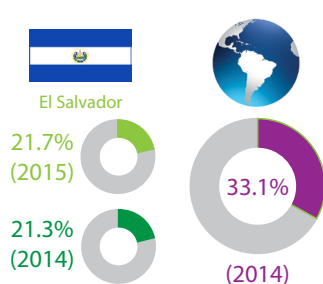
Government revenues (2014, 2015)
% of GDP

El Salvador
18.5% (2015)
18.0% (2014)

28.6% (2014)

10% 20% 30% 40% 50%

Source: IMF World Economic Outlook database

Government expenditures (2014, 2015)
% of GDP

El Salvador
21.7% (2015)
21.3% (2014)

33.1% (2014)

10% 20% 30% 40% 50%

Source: IMF World Economic Outlook database

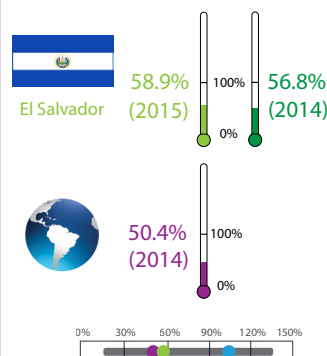### Government investment * (2014)
% of GDP

El Salvador
3.0%

2.6%

1% 2% 3% 4% 5% 6%
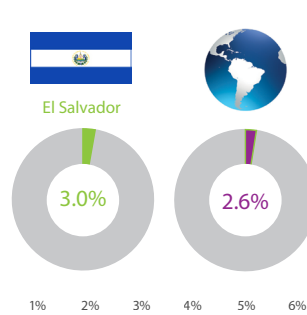
Source: IMF Government Finance Statistics database.
* See Notes

Government gross debt (2014, 2015)
% of GDP

El Salvador
58.9% (2015)   56.8% (2014)
100%
0%

50.4% (2014)
100%
0%

0% 30% 60% 90% 120% 150%

Source: IMF World Economic Outlook database

Fiscal balance (2014, 2015)
% of GDP

El Salvador
-3.2% (2015)
-3.4% (2014)

-4.5% (2014)

0%
-2%
-4%
-6%
-8%
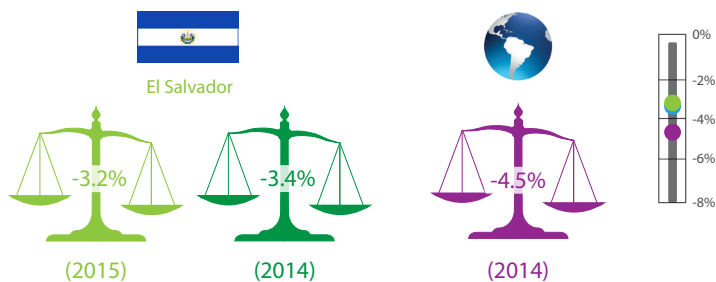
Source: IMF World Economic Outlook database

Breakdown of tax revenues (2014) *
% of total taxation

El Salvador
10.7%
36.7%
52.0%

16.4%
27.9%
49.5%

- Goods and services
- Income and profits
- Social security
- Other
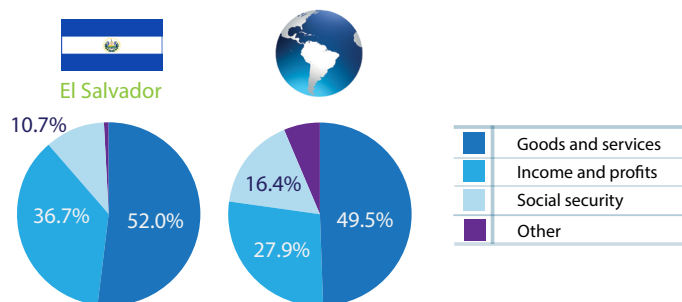
Source: OECD Revenue Statistics in Latin America (database). * See Notes

Public Employment and Compensation

Public sector employment as % of total employment (2014) *

El Salvador
8.4%

12.0%

25%
20%
15%
10%
5%
0%

Source: International Labour Organization (database). * See Notes

Public sector employment filled by women (2014) *

El Salvador
43.8%

50.3%

60%
50%
40%

Source: International Labour Organization (database). * See Notes

GOVERNMENT PROCESSES
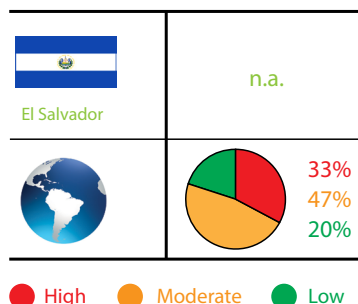
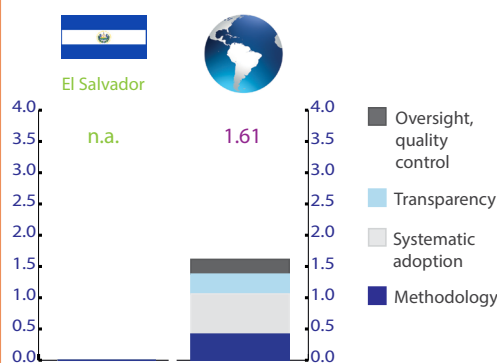| Government Institutions | Public Procurement | Digital Government | Health Financing Systems and Budget |

Government Institutions

Level of influence of the Centre of Government over line ministries (2015)

El Salvador	n.a.
	33% High
	47% Moderate
	20% Low

● High   ● Moderate   ● Low

Source: OECD 2015 Survey on Centre of Government

iREG: Composite indicator on stakeholder engagement (2015)

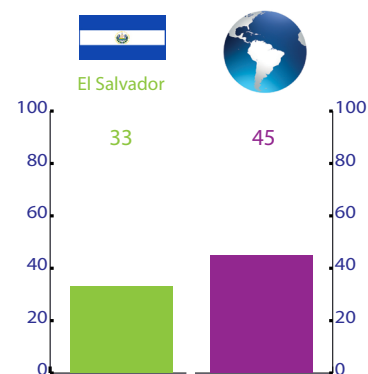The max. score for each category is 1, and the max. aggregate score for the composite is 4

El Salvador n.a.   1.61

- ■ Oversight, quality control
- ■ Transparency
- ■ Systematic adoption
- ■ Methodology

Source: OECD Indicators of Regulatory Policy and Governance for Latin America

Civil service merit index (2012-2015)

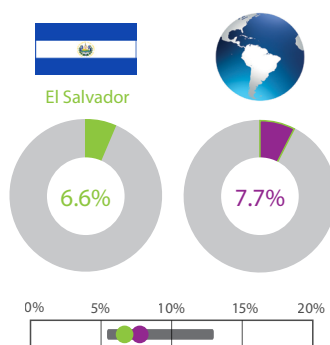Composite index from 0 (lowest) to 100 (highest)

El Salvador 33   45

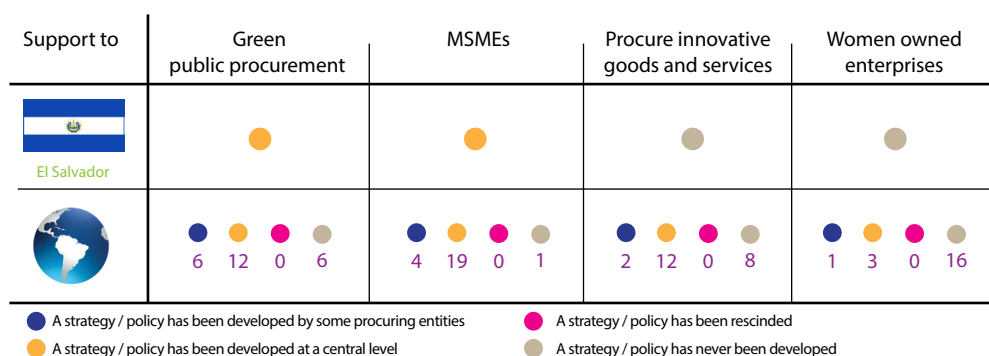Source: Inter-American Development Bank, 2014

Public Procurement

Government procurement (2014) *

% of GDP

El Salvador 6.6%   7.7%

| 0% | 5% | 10% | 15% | 20% |

Source: IMF Government Finance Statistics database. * See Notes

Development of strategic public procurement by objective (2015)

Support to	Green public procurement	MSMEs	Procure innovative goods and services	Women owned enterprises
El Salvador	●	●	●	●
(region)	● ● ● ● 6 12 0 6	● ● ● ● 4 19 0 1	● ● ● ● 2 12 0 8	● ● ● ● 1 3 0 16

- ● A strategy / policy has been developed by some procuring entities
- ● A strategy / policy has been developed at a central level
- ● A strategy / policy has been rescinded
- ● A strategy / policy has never been developed

Source: 2015 OECD Survey on Public Procurement

Digital Government

Existence of a main national citizens portal for government services and a legally recognised digital identification mechanism (2015)

	Main national citizens portal for government services	Legally recognised digital identification (e.g. digital signature) mechanism
El Salvador	●	●
(region)	61%	56%

● Yes   ● No
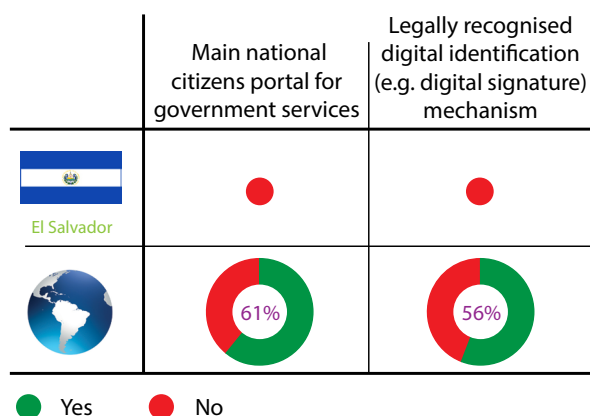
Source: OECD Survey on digital government performance

OURdata Index: Open, Useful, Reusable Government Data (2016)

Composite index from 0 (lowest) to 1 (highest)

El Salvador 0   0.44

- ■ Government support to re-use
- ■ Data accessibility
- ■ Data availability
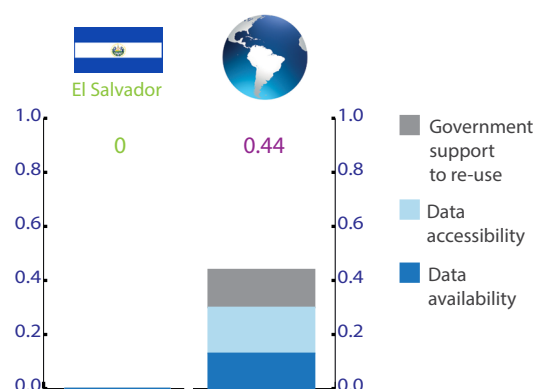
Source: 2016 OECD Survey on Open Government Data

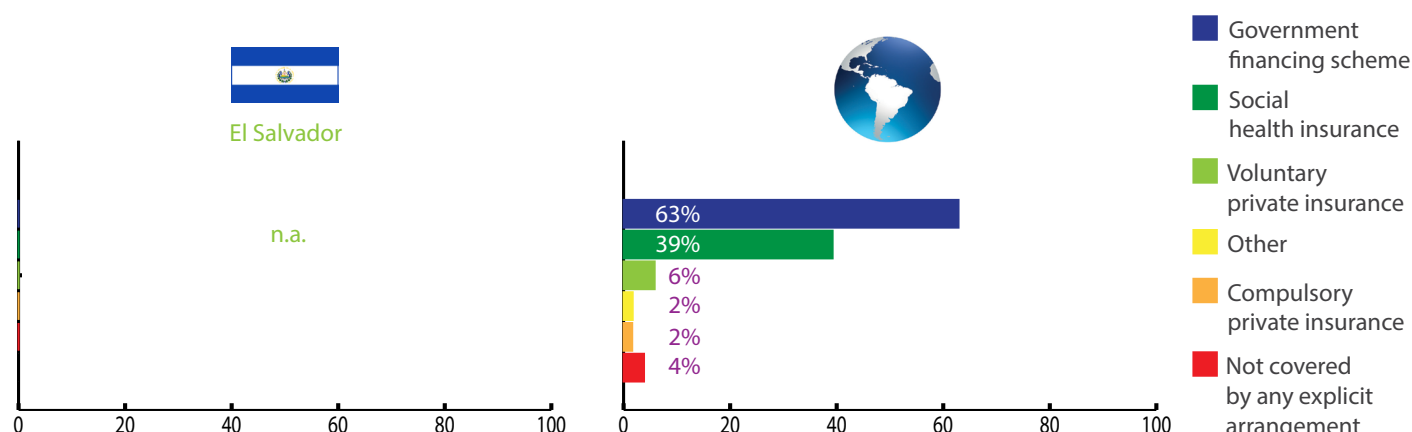# GOVERNMENT PROCESSES

Health Financing Systems And Budget Formulation

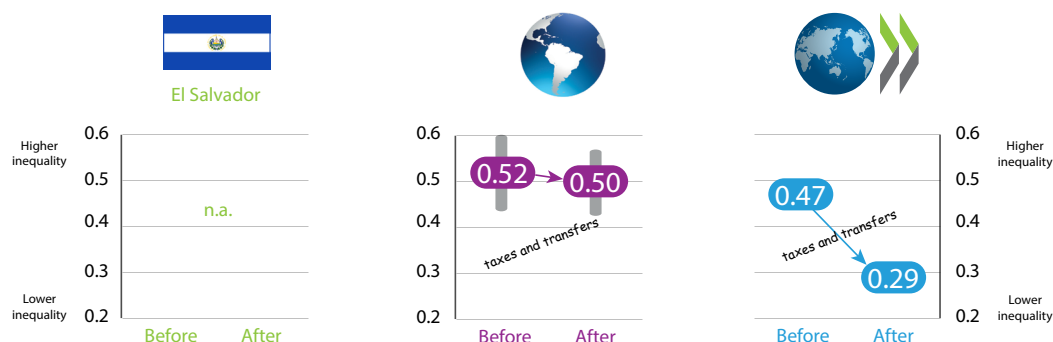### Health care financing schemes and percentage of population covered (2015)

El Salvador

n.a.

Globe

- 63% — Government financing scheme (blue)
- 39% — Social health insurance (green)
- 6% — Voluntary private insurance (light green)
- 2% — Other (yellow)
- 2% — Compulsory private insurance (orange)
- 4% — Not covered by any explicit arrangement (red)

Legend:
- Government financing scheme
- Social health insurance
- Voluntary private insurance
- Other
- Compulsory private insurance
- Not covered by any explicit arrangement

Source: 2015 OECD Survey of Budget Officials on Budgeting Practices for Health in LAC countries

OUTPUTS AND OUTCOMES

Gini coefficient: Differences in income inequality pre and post-tax and government transfers (2012)

Indicator from 0 (low income concentration) to 100 (high income concentration)

El Salvador

n.a.

Higher inequality — Lower inequality

Before — After

LAC (globe)

0.52 → 0.50 (taxes and transfers)

Before — After

OECD (globe)

0.47 → 0.29 (taxes and transfers)

Higher inequality — Lower inequality

Before — After

Source: OECD Income Distribution Database

Notes

* Government investment figures for El Salvador refer to 2013. Tax revenues for El Salvador exclude local government revenues. Public sector employment as % of total employment, public sector employment filled by women and government procurement data for El Salvador are for 2013. Costs of goods and services financed by general government are not included in government procurement because they are not accounted separately in the IMF Government Finance Statistics (database). *OURdata* Index: El Salvador does not have a one stop shop portal.

For more information on the data (including full methodology and figure notes) and to consult all other Country Fact Sheets:
http://www.oecd.org/gov/government-at-a-glance-lac.htm

The Excel spreadsheets used to create the tables and figures in *Government at a Glance: Latin America and the Caribbean 2017* are available via the Stat-Links provided throughout the publication: http://dx.doi.org/10.1787/9789264265554-en

Government at a Glance: Latin America and the Caribbean 2017

Government at a Glance: Latin America and the Caribbean 2017 is the second edition of a joint publication between the Organization for Economic Co-operation and Development (OECD) and the Inter-American Development Bank (IDB). It provides readers with a dashboard of key indicators to inform policy making and benchmark specific interventions. The model is the OECD *Government at a Glance,* which is a fundamental reference, backed by a well-established methodology for OECD member countries. Compared to the previous edition that had a special focus on Public Financial Management and alongside with indicators on public finances and public employment this second version covers a wider range of public management areas including the role and influence of the Centre of Government, Open Government and Open Data policies, Digital Government, Regulatory Governance and practices for Budgeting in health systems.