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El Salvador: Background and U.S. Relations

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Summary

Congress has significant interest in El Salvador, a small Central American country that has had a large percentage of its population living in the United States since the country's civil conflict (1980-1992). During the 1980s, the U.S. government spent billions of dollars supporting the Salvadoran government's efforts against an insurgency led by the leftist Farabundo Marti National Liberation Front (FMLN). Three decades later, the United States is working with the country's second democratically elected FMLN Administration.

President Salvador Sánchez Cerén, a former guerrilla commander of the FMLN, is in the fourth year of his five-year presidential term. Sánchez Cerén has adopted a more conciliatory attitude toward the opposition and the private sector than his predecessor, Mauricio Funes. Nevertheless, his approval ratings have been significantly lower than those of prior presidents, as security conditions remain dire and economic growth moderate.

Twenty-five years after the signing of peace accords to end the country's civil conflict, El Salvador continues to face serious security and economic challenges. Polarization between the FMLN government and the conservative Nationalist Republican Alliance (ARENA)-dominated National Assembly has magnified those challenges. El Salvador posted a homicide rate of 81.2 per 100,000 in 2016. Homicides have declined in 2017, but killings of security forces by gangs have escalated. The government's tough anti-gang measures have caused increasing human rights violations, including extrajudicial killings of gang suspects by security forces. Insecurity remains a barrier to investment, which has inhibited economic growth. El Salvador's economy grew by 2.4% in 2016, the lowest growth rate in Central America.

The Sánchez Cerén government has maintained close cooperation with the United States. Congress has provided bilateral assistance, which totaled some $72.7 million in FY2017, as well as regional security assistance through the Central American Regional Security Initiative (CARSI). Economic cooperation has been bolstered by a $277 million Millennium Challenge Corporation (MCC) compact that began in 2014. Foreign assistance to El Salvador is being guided by the U.S. Strategy for Engagement in Central America, which prioritizes promoting economic prosperity, improving security, and strengthening governance.

The Trump Administration has adjusted the strategy to focus more on combating gangs and transnational crime. It requested $46.3 million in bilateral assistance for El Salvador (a 36% cut from 2017) and $263.2 million for CARSI (a 20% cut from 2017). The House Appropriations Committee's FY2018 State Department and Foreign Operations appropriations bill, H.R. 3362 (H.Rept. 115-253), which was incorporated into the House-passed full-year FY2018 Omnibus Appropriations Measure, H.R. 3354, recommends $55.2 million for El Salvador and $334.2 million for CARSI. The Senate Appropriations Committee's version of the bill, S. 1780 (S.Rept. 115-52), recommends $63.7 million for El Salvador and $299.2 million for CARSI.

Migration issues, such as how to prevent emigration by unaccompanied children and reintegrate deportees from the United States, figure prominently on the bilateral agenda. The Salvadoran government has sought to address the root causes of emigration and stepped up efforts against human trafficking and alien smuggling. At the same time, it has expressed concern about the Trump Administration's recent executive action on migration enforcement and the possible end of Temporary Protected Status for Salvadorans living in the United States, which could hasten the pace of deportations. See CRS Report RL34112, *Gangs in Central America*; CRS Report RS20844, *Temporary Protected Status: Overview and Current Issues*; and CRS Report R44812, *U.S. Strategy for Engagement in Central America: Policy Issues for Congress*.

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Introduction

A small, densely populated Central American country that has deep historical, familial, and economic ties to the United States, El Salvador has been a focus of sustained congressional interest (see **Figure 1** for a map and key data on the country).[1] After a troubled history of authoritarian rule and a brutal civil war (1980-1992), El Salvador has made some strides over the past two decades in establishing a multiparty democracy.[2] A peace accord negotiated in 1992 brought the war to an end and assimilated the leftist Farabundo Marti National Liberation Front (FMLN) guerrilla movement into the political process as a political party. In 2009, Mauricio Funes, a former journalist, took office as head of the country's first FMLN government. After a razor-thin election, Salvador Sánchez Cerén, a former guerrilla commander, began his five-year term on June 1, 2014, at the helm of a second consecutive FMLN government.

El Salvador currently faces serious governance, security, and economic challenges, all of which are interrelated. Tension between the Sánchez Cerén government and a legislature dominated by the conservative Nationalist Republican Alliance (ARENA) has often hindered the country's ability to address its significant fiscal deficit and dire security situation. Insecurity and economic conditions have fueled irregular emigration—a key concern for U.S. policymakers.[3] This report examines El Salvador's political, security, human rights, and economic conditions. It then analyzes selected issues in U.S.-Salvadoran relations.

Post-Conflict Period of ARENA Rule (1994-2008)

After peace accords were signed in 1992, successive ARENA governments in the 1990s-2000s sought to rebuild democracy and implement market-friendly economic reforms. ARENA proved to be a reliable U.S. ally and presided over a period of economic growth, but did not effectively address inequality, violence, and corruption. El Salvador's gross domestic product (GDP) increased from $13.1 billion to $21.4 billion between 2000 and 2008.[4] Under ARENA, development indicators generally improved but were hurt by natural disasters, including earthquakes in 2001 and periodic hurricanes.

Corruption charges have been brought against the two most recent ARENA presidents. Francisco Flores (1999-2004) passed away in January 2016 while awaiting trial for allegedly embezzling some $15 million in donations from Taiwan that were meant for earthquake relief. In 2016, El Salvador's attorney general charged former President Anthony ("Tony") Saca (2004-2009) and members of his administration for belonging to a corruption network that allegedly embezzled at least $246 million from state accounts.[5] After leaving office, Saca was expelled from ARENA and began his own political party, the Grand Alliance for National Unity (GANA), which, though nominally a conservative party, often has voted with the FMLN in the legislature.

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[1] For historical background on El Salvador, see Federal Research Division, Library of Congress, *El Salvador: A Country Study*, ed. Richard Haggerty (Washington, DC: Library of Congress, 1990).

[2] Priscilla B. Hayner, Unspeakable Truths: Facing the Challenge of Truth Commissions (New York, NY: Routledge, 2002); Diana Villiers Negroponte, Seeking Peace in El Salvador: The Struggle to Reconstruct a Nation at the End of the Cold War (New York, NY: Palgrave Macmillan, 2012).

[3] In Central America, *mixed migration* flows are occurring, which include economic migrants, refugees, asylum-seekers, stateless persons, trafficked persons, and unaccompanied children who travel the same routes and use the same modes of transportation. Also termed *irregular migrants*, these individuals do not have the required documentation, such as passports and visas, and may use smugglers and unauthorized border crossings.

[4] International Monetary Fund, *World Economic Outlook Database*, accessed October 2016.

[5] "El Salvador Judge Orders Seizure of Former President's Assets," Reuters, November 5, 2016.

Figure 1. Map of El Salvador and Key Data on the Country

Geography	***Area:*** 8,008 sq. mi. (about the size of Massachusetts) ***Capital:*** San Salvador
People	***Population:*** 6.2 million (2017), with 1.1 million in the capital city, San Salvador ***Ethnic Groups:*** Mixed (86.3%), European (12.7%), Indigenous or Other (1%) ***Literacy:*** 88% ***Poverty:*** 41.6%
Health	***Life Expectancy:*** men, 71.4 years; women, 78.1 years ***Infant Mortality:*** 17.3 deaths per 1,000 births
Economy	***Gross Domestic Product (GDP):*** $26.8 billion (2016) ***GDP Composition by Sector:*** agriculture, 10.5%; industry, 25.1%; services, 64.4% (2015 est.) ***Gross National Income (GNI) per capita:*** $3,920 ***Key Export Partners:*** United States (47.2%), Honduras (14.0%), Guatemala (13.4%) ***Top Exports to the United States (2016):*** Apparel and textiles, Electrical Machinery Parts, Sugar, Coffee

Source: Graphic created by CRS. Poverty figures are from the U.N. Economic Commission for Latin America and the Caribbean, GNI per capita and GDP are from World Bank, and trade data are from Global Trade Atlas. Other data are from the CIA World Fact Book, October 2017.

Deep scars and political polarization remain evident in El Salvador today from a war that resulted in significant human rights violations, more than 70,000 deaths, and massive emigration to the United States. El Salvador's 1993 Amnesty Law has, until recently, shielded those who committed human rights abuses during the civil conflict from prosecution. El Salvador's supreme court deemed the law unconstitutional in a July 2016 ruling, and the attorney general's office has

established a unit to investigate past cases of human rights violations (see "Confronting Past Human Rights Violations").[6]

Funes Administration (2009-2014)

Mauricio Funes remained popular throughout his term, even as his government struggled to address the country's economic and security problems and analysts from both the right and the left criticized his administration. The Funes government expanded crime prevention programs and community policing, but also supported and then later disavowed a failed truce between the country's gangs that allegedly involved some facilitators providing illicit items and favors to imprisoned gang leaders.[7] Observers criticized Funes's inability to improve transparency, his lavish travel, and his unfair practices in awarding government contracts. Critics also maintained that Funes often provoked unnecessary conflicts with the private sector.[8] In 2016, Funes came under investigation by the attorney general's office on grounds of embezzling state funds. He sought and received political asylum in Nicaragua in September 2016.

Political Situation

Sánchez Cerén Administration: Composition and Priorities

During the 2014 campaign, Salvador Sánchez Cerén sought to broaden his appeal beyond the FMLN base by marketing himself as a "progressive" rather than as a hard-liner. He selected Oscar Ortiz, the former mayor of Santa Tecla, as his vice president. Together, they promised to keep the social programs that had been popular during the Funes government.

In March 2014, Sánchez Cerén narrowly defeated ARENA's candidate, Norman Quijano, in a runoff election. Sánchez Cerén captured 50.1% of the vote, whereas Quijano received 49.9%. Prior to taking office, Sánchez Cerén and Ortiz convened dialogues with different sectors of Salvadoran society, including ARENA and the private sector.

Salvador Sánchez Cerén

Born in 1944 in rural Quezaltepeque, El Salvador, to a family of humble origin, Salvador Sánchez Cerén began his career as a teacher. He later transitioned from being a teacher's union leader to serving as a guerrilla commander for the Fuerzas Populares de Liberación, or FPL, during the war years. He was one of several FMLN leaders to sign the Peace Accords in 1992. Sánchez Cerén later served as a legislator from 2000 to 2008 before becoming Mauricio Funes's vice president and minister of education. Sánchez Cerén is generally regarded as more of a leftist than former President Funes and maintains close ties with Venezuela and Cuba.

President Sánchez Cerén's cabinet includes several holdovers from the Funes government, including the ministers of the economy, foreign affairs, public works, and social inclusion. Although several of those ministers formed good working relationships with U.S. officials, the cabinet also includes Communist party officials and allies of Tony Saca, some of whom have had tense relationships with the United States. Some U.S. officials were dismayed by Sánchez Cerén's decision to maintain David Múnguía Payés, the

[6] Geoff Thale, "Tracking El Salvador's Progress in Historic Human Rights Cases," Washington Office on Latin America (WOLA), October 27, 2017.

[7] "Traducing El Salvador's Truce," *The Economist*, August 26, 2017.

[8] Daniel Valencia Caravantes and Efren Lemus, "La Idea de Crear una CICIG para El Salvador la Mató el Silencio del Presidente" *El Faro Sala Negra*, May 12, 2014; Fundación Salavdoreña para el Desarrollo Económico y Social (FUSADES), *Quinto Año de Gobierno del Presidente Funes*, May 2014.

architect of the ill-fated 2012 gang truce who has been accused of allowing arms trafficking, as defense minister.[9]

Upon taking office, President Sánchez Cerén sought to: (1) boost growth and address the country's fiscal crisis through infrastructure projects and reforms to improve the business climate, (2) invest in education and health care, and (3) combat crime and violence. Sánchez Cerén stressed the importance of working with the United States and promoting trade with Latin America, Asia, and Europe. In 2014, El Salvador joined Petrocaribe, an arrangement through which Venezuela has provided subsidized oil to Caribbean and Central American countries.[10]

Constraints Facing the Government

President Sánchez Cerén has thus far encountered difficulty in implementing his inaugural pledges due to El Salvador's severe fiscal constraints and his party's lack of a congressional majority. Unlike President Funes, President Sánchez Cerén is neither popular nor particularly media savvy. Many observers maintain that Sánchez Cerén, who has faced health challenges, has failed to demonstrate the leadership necessary to address El Salvador's deteriorating security situation. The Central American University released a survey in June 2017 in which 61.1% of those polled said that President Sánchez Cerén had governed poorly.[11]

Sánchez Cerén has had a difficult time garnering legislative support for his priorities, save those related to strengthening public security and a recent pension reform. Opposition has been particularly strong from the conservative ARENA party, which along with allied parties controls 42 of 84 seats in the legislature. ARENA has opposed many FMLN proposals to raise taxes or issue new debt, as it generally supports lower spending rather than higher taxes. In 2015, the legislature approved new taxes to increase funding for security programs.[12] In September 2017, after 18 months of debate, the government and the opposition agreed to pension reform that raises employee and employer contributions into the system. Few analysts predict that the two sides will be able to resolve the country's broader fiscal crisis as the March 2018 legislative elections approach.[13] Many analysts predict that the FMLN, which controls 31 seats, is likely to lose some seats in those elections due to the unpopularity of the current government.

The supreme court of El Salvador is composed of 15 justices that are divided among four chambers, including a constitutional chamber. Five justices are appointed to the court every three years by a two-thirds vote in the National Assembly to serve for nine-year terms. Following the 2009 elections, the assembly approved five new justices after difficult negotiations. Since their installation in 2009, the five justices on the constitutional chamber of the supreme court have taken actions that appeared intended to check the power of the president and the legislature, something the court has historically failed to do. As an example, the court prohibited the government from issuing $900 million in bonds in 2015 to fund social and security initiatives that it found were approved by the legislature in an unconstitutional manner.

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[9] "El Salvador's Defense Minister Investigated for Arms Trafficking," *Latin News Daily Report*, June 11, 2014.

[10] The future of Petrocaribe is uncertain, however, as Venezuelan oil production has declined and the country is immersed in a deep economic crisis. See CRS Report R44841, *Venezuela: Background and U.S. Policy*, by Clare Ribando Seelke and Rebecca M. Nelson.

[11] Institute for Public Opinion at the Universidad Centroamericana, *Los Salvadoreños Evalúan el Tercer Año de Gobierno de Salvador Sánchez Cerén*, Boletín de Prensa Año XXXI, No.3, June 2017.

[12] In late 2015, the assembly approved a 5% tax on the profits of large companies, as well as a 5% tax on telecommunications services to support citizen security programs.

[13] Eurasia Group, "El Salvador: Upgrading Trajectories to Neutral on Diminished Financing Risks," September 29, 2017.

Security Challenges

Weak Criminal Justice System

In recent years, much has been written about the governance problems that have made El Salvador susceptible to the influence of criminal elements and unable to guarantee citizen security. Resource constraints in the security sector have persisted. A lack of confidence in the underfunded police has led many companies and citizens to use private security firms and the government to deploy soldiers to perform public security functions (see "Military Involvement in Public Security Efforts"). There have also been serious concerns about corruption in the police, prisons, and judicial system. In 2016, El Salvador's ranking fell 23 places in Transparency International's Corruption Perception Index to 95 out of 176 countries ranked.

With a majority of the national civilian police (PNC) budget devoted to salaries and benefits, there has historically been limited funding available for investing in training and equipment. The PNC has deficient wages, training, and infrastructure. It has also lacked a merit-based promotion system. Corruption, weak investigatory capacity, and an inability to prosecute officers accused of corruption and human rights abuses have also hindered police performance.

Few arrests carried out by PNC officials have been successfully prosecuted in the Salvadoran justice system. The State Department maintains that "inefficiency and corruption" have hindered the performance of the Salvadoran judiciary.[14] As police and prosecutors are often loathe to work together to build cases, El Salvador's criminal conviction rate is less than 5%. Delays in the judicial process and massive arrests carried out during prior anti-gang sweeps made under *mano dura* (heavy-handed) policing efforts have resulted in severe prison overcrowding.[15]

According to a study cited by the State Department, prisons operated at roughly 346% above capacity as of mid-2016.[16] In May 2016, the constitutional chamber of El Salvador's supreme court issued a declaration finding prison overcrowding to be an unconstitutional violation of inmate's human rights and ordering regular visits to the country's prisons by the health ministry. The Salvadoran government has made some advances in addressing prison overcrowding by building new facilities. Nevertheless, human rights groups maintain that sanitation and access to medical services have worsened since the government adopted more restrictive prison conditions for gang inmates in April 2016.[17]

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[14] U.S. Department of State, *Country Report on Human Rights Practices: El Salvador*, March 2017.

[15] *Mano dura* approaches have involved incarcerating large numbers of youth (often those with visible tattoos) for illicit association and increasing sentences for gang membership and gang-related crimes. A *mano dura* law passed by El Salvador's Congress in 2003 was subsequently declared unconstitutional but was followed by a *super mano dura* package of reforms in July 2004. These reforms enhanced police power to search and arrest suspected gang members and stiffened penalties for convicted gang members, although they provided some protections for minors. For background, see Sonja Wolf, *Mano Dura: the Politics of Gang Control in El Salvador* (Austin, TX: University of Texas Press, 2017). Many analysts argue that the Sánchez Cerén government has returned to a *mano dura* approach to policing. See Héctor Silva Ávalos, "El Salvador Violence Rising Despite 'Extraordinary' Anti-Gang Measures," *Insight Crime*, October 3, 2017.

[16] This draws from: U.S. Department of State, *Country Report on Human Rights Practices: El Salvador*, March 2017.

[17] Carlos Martínez, "The Unbelievable Hell Inside El Salvador's Prisons," *Insight Crime*, December 28, 2016.

Attorney General Douglas Melendez: Progress and Setbacks

International observers initially praised the efforts made to investigate abuses and reduce impunity by Attorney Douglas General Meléndez, a career prosecutor elected by the national assembly to serve a three-year term in January 2016. During his first year in office, Meléndez pursued cases against three previous presidents as well as his predecessor and a prominent businessman. Meléndez has since faced criticism and received death threats for pursuing cases against politicians of all parties, corrupt security forces, and gangs. His prosecutors have been unable to secure convictions in recent high-profile cases, raising concerns about prosecutorial capacity. In August 2017, a judge dismissed the government's case against former officials accused of illicit involvement with gangs in the 2012-2013 gang truce, since it appears that they were carrying out the state policy of the Funes Administration.[18] El Salvador is also the only northern triangle country that does not have an external entity supporting the attorney general's office in conducting investigations.[19]

Escalating Criminality, Including Gang Violence

El Salvador has been dealing with escalating homicides and generalized crime committed by gangs, drug traffickers, and other criminal groups for more than a decade. In 2015, El Salvador, a country with a population of 6.2 million people, posted a homicide rate of 104 per 100,000—the highest in the world. Although homicides decreased by 20% in 2016 to 81.2 per 100,000, they have recently spiked dramatically and have included targeted killings of security forces by gangs.[20] A recent study by the Inter-American Development Bank (IDB) estimated that the costs of crime and violence in El Salvador could reach 5.9% of GDP.[21]

El Salvador has the highest concentration of gang members per capita in Central America. As a result, gangs are responsible for a higher percentage of homicides there than in neighboring countries. A government-facilitated truce between the country's major gangs (MS-13 or *Mara Salvatrucha* and the 18th Street gang) that unraveled in 2014 appeared to lower homicides in 2012-2013, but forced disappearances reportedly increased during that period.[22] Many analysts have concluded that the truce strengthened gangs' cohesion and political power.

Gangs have been involved in a range of other criminal activities. Those activities include extortion; money laundering; and drug, auto, and weapons smuggling. Gangs earn millions of dollars by extorting residents, bus drivers, and business owners, often in poor neighborhoods. Failure to pay often results in harassment or violent reprisals. In August 2015, El Salvador's supreme court declared that gangs, which had used grenades against government buildings, could be charged with terrorism. In July 2016, the Salvadoran government arrested more than 70 people who had allegedly laundered the gang's money through motels, brothels, and other businesses.[23]

[18] With support from then-Minister of Justice and Public Security David Munguía Payés, a Catholic bishop and a former legislator brokered a truce between MS-13 and 18th Street gangs. In March 2012, Munguía Payés agreed to transfer high-ranking gang leaders in maximum-security prison to less secure prisons to facilitate intra-gang negotiations. Munguía Payés denied his role in facilitating the truce until September 2012. He admitted to his role in designing the process and said he did so with former President Funes's approval during August 2017 testimony. "Salvadoran Judge Acquits Truce Trial Defendants," *Latin America Daily Briefings*, August 31, 2017.

[19] Guatemala has the U.N. Commission Against Impunity in Guatemala (CICIG) and Honduras has the OAS-sponsored Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH).

[20] David Gagne, "Insight Crime's 2016 Homicide Round-up," *Insight Crime*, January 16, 2017; "El Salvador: Spiraling Violence Could Be Here to Stay," *Central America and Caribbean Report*, October 2017.

[21] Laura Jaitman, The Costs of Crime and Violence: New Evidence and Insights in Latin America and the Caribbean, IDB, 2017.

[22] Douglas Farah, "Central America's Gangs Are All Grown Up," *Foreign Policy*, January 19, 2016.

[23] Sarah Esther Maslin, "El Salvador says a Brutal Gang Laundered Money Through Motels, Brothels, and Taxis," *Washington Post*, July 29, 2016.

According to the police, both factions of the 18th Street gang and MS-13 are likely working together to attack government officials.[24]

Gang-related violence has fueled internal displacement and irregular emigration.[25] In 2015, the International Rescue Committee estimated that more than 320,000 people had been displaced in El Salvador. In August 2016, El Salvador's civil roundtable against forced displacement attributed more than 85% of internal displacement to gang activity. The Salvadoran government has neither publicly acknowledged the phenomenon nor developed a strategy to address the needs of those fleeing violence.[26] (For more information on gang-related human rights abuses, as well as extrajudicial killings of gang suspects by security forces, see "Human Rights" section below).

Drug-trafficking organizations, including Mexican groups such as the Sinaloa criminal organization, have increased their illicit activities in El Salvador, albeit to a lesser extent than in Honduras and Guatemala.

Secure El Salvador

Upon taking office, the government formed a National Council for Citizen Security, which designed an integrated security plan (with support from the U.S. government and the United Nations). In January 2015, the administration announced the plan: Secure El Salvador (*El Salvador Seguro*), estimated to cost $2 billion over five years. It includes (1) violence prevention and job creation initiatives, which account for nearly three-quarters of the funding; (2) an increased state presence in the country's 50 most violent municipalities, with the goals of improving public spaces, expanding community policing, and increasing student retention in schools; (3) improved prison infrastructure; and (4) increased services for crime victims.[27]

The plan has been launched in 26 of the most violent municipalities. El Salvador's legislature has approved $100 million in loans to support the security plan. The Administration expected to raise $140 million per year through a special tax on telecommunications services as well as large enterprise profits, although it only collected $50.5 million between November 2015 and November 2016.[28] Furthermore, although government figures point to lower homicide rates in those municipalities, critics question whether the government actually has prioritized social services and prevention in those areas or just more aggressive policing.[29] Of the 20 municipalities with the highest homicide rates in 2016, 16 had implemented the plan.[30]

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[24] Héctor Silva Ávalos, "El Salvador Violence Rising Despite 'Extraordinary' Anti-Gang Measures," *Insight Crime*, October 3, 2017.

[25] Alexandra Bilak et al., *2016 Global Report on Internal Displacement*, Norwegian Refugee Council, Internal Displacement Monitoring Centre, May 11, 2016.

[26] U.S. Conference of Catholic Bishops, *Temporary Protected Status: A Vital Piece of the Central American Protection and Prosperity Puzzle*, October 2017.

[27] See http://www.presidencia.gob.sv/wp-content/uploads/2015/01/El-Salvador-Seguro.pdf.

[28] Gabriel García and Lourdes Quintanilla, "San Salvador Llega Tarde al Plan El Salvador Seguro," *La Prensa Grafica*, February 2, 2017.

[29] For government figures, see http://www.seguridad.gob.sv/plan-el-salvador-seguro-pess/. For criticisms of the plan, see Dan Adler, "El Salvador's 'Plan Seguro' Failing to Make Communities Safe: Report," *Insight Crime*, March 28, 2016.

[30] David Marroquín, "Plan El Salvador Seguro Fracasa en Municipios más Violentos," *El Diario de Hoy*, February 5, 2017.

"Extraordinary Measures" to Combat Gangs

In April 2016, the Sánchez Cerén government started implementing "extraordinary measures" focused on moving gang leaders to maximum-security prisons, cutting off cell phone service around prisons and restricting visitors to those facilities, and conducting targeted law enforcement operations. Even though a majority of Salvadorans believe the extraordinary measures have had little to no effect on reducing crime, the measures have garnered support from the Catholic Church and a broad spectrum of politicians.[31] On February 9, 2017, the National Assembly voted to extend the measures through April 2018 as the police seek to retake gang-controlled territory.

Military Involvement in Public Security Efforts

For many years, El Salvador has deployed thousands of military troops to help the police carry out public security functions. In April 2014, the Salvadoran Supreme Court upheld former president Funes's October 2009 decree that authorized the military to carry out police functions. Three battalions each made up of 200 police and elite members of the Armed Forces were deployed in 2015 to control gang violence. In April 2016, Sánchez Cerén created the El Salvador Special Reaction Force, a 1,000-member force made up of 400 police and 600 soldiers, into rural areas to which gang members had fled. In November 2016, El Salvador, Honduras, and Guatemala launched a tri-national anti-gang force, comprised of military and police officers, to target gangs on the borders. According to U.S. estimates, roughly 8,000 of El Salvador's 17,000 active-duty armed forces personnel are involved in public security at any given time.[32]

Human Rights

Recent Human Rights Violations

Violence and human rights abuses have been prevalent for much of El Salvador's modern history. Mass atrocities committed during the civil war (1980-1992) are just beginning to be investigated (since the supreme court overturned the 1993 amnesty law in July 2016). In addition to past crimes, many of the most serious human rights abuses in El Salvador today are related to gender and intra-familial violence, gangs and criminal groups, and the excessive use of force by security forces. The Salvadoran government's ability to address these challenges has been hindered by resource constraints, political polarization, and corruption within the criminal justice system.

Since the end of the civil war, El Salvador has had a relatively free press and civil society. Nevertheless, journalists and some non-governmental organizations focused on transparency have been harassed for reporting on corruption, police abuses, gangs, and drug trafficking.[33] Human rights defenders have also suffered extortion and attacks, including Karla Avelar, a transgender advocate who reportedly received death threats in May 2017.[34] Violence based on sexual identity is common in El Salvador, with 52% of transgender people having suffered death threats.[35]

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[31] IUDOP, 2017; "El Salvador: War on Mara Gangs Extended," *Latin American Weekly Report*, February 16, 2017.

[32] U.S. Department of Defense, *Congressional Report on Citizen Security Responsibilities in the Northern Triangle of Central America Pursuant to Section 1069 of the FY2017 National Defense Authorization Act*, July 20, 2017.

[33] Committee to Protect Journalists, "Two Salvadoran News Websites Threatened for Their Reporting," August 28, 2017.

[34] "Extorsionan a Defensora de Mujeres Trans Nominada a Premio," *La Prensa Gráfica*, May 12, 2017.

[35] U.S. Department of State, *Country Reports on Human Rights Practices: El Salvador*, April 12, 2017.

Indigenous rights and land conflicts have not been as common in El Salvador as in neighboring countries, likely because only 0.2% of the population identified as Amerindian in 2007 (the most recent year available). Although a 2014 constitutional amendment recognized indigenous rights, no laws ensure that indigenous people benefit from natural resource development that occurs on land historically held by indigenous communities. Still, land rights advocates have praised El Salvador's recent decision to ban all metal mining due to concerns about protecting communities' water sources.[36]

Women and children are often targets of gang violence.[37] Gang initiations for men and women differ. Whereas men are subject to a beating, women are often forced to have sex with various members of the gang. Female gang members are expected to tolerate infidelity from their partners, but women may be murdered if they are unfaithful. Non-gang-affiliated women and girls have been murdered as a result of turf battles, jealousy, and revenge. Those who have refused to help gangs or reported crimes are particularly vulnerable, as are those who are related to or have collaborated with the police. Harassment by gangs has led thousands of youth (boys and girls) to abandon school, including some 39,000 in 2016.[38]

Gang-related violence is part of a broader spectrum of violence in El Salvador that often affects women and children. Child abuse and spousal rape are major problems. According to a 2015 study, El Salvador had the highest rate of femicide (killing of women) in the world. Femicides have been linked to domestic disputes, gangs, and other crimes such as human trafficking.[39] There is a total ban on abortion, even in the case of rape or incest, and women in El Salvador have been imprisoned after suffering miscarriages that authorities have deemed illegal abortions.

In response to gang violence, the Sánchez Cerén government has adopted tough anti-gang policies. Human rights groups maintain that the policies have exacerbated human rights abuses committed by El Salvador's underpaid and ill-trained security forces. As of October 2016, El Salvador's attorney general "was investigating 53 possible cases of extrajudicial killings" by security forces, according to the State Department.[40] In June 2017, authorities arrested four police and 10 soldiers suspected of involvement in some 36 murders that occurred in 2014-2016.[41] In August 2017, reporters released evidence of death squads operating within the police. Government officials have downplayed or dismissed those assertions, as well as evidence presented in recent cases before the Inter-American Commission for Human Rights.[42] In September 2017, a judge acquitted five police whom Meléndez had charged with committing the "summary execution" in 2015 of a young man whom police claimed was a gang member.[43] The youth was one of eight individuals whom the El Salvador's former human rights ombudsmen and

[36] Sarah Sheets, "El Salvador's Mining Ban: Land Rights, Development, and Democracy in Latin America," May 2, 2017.

[37] KIND, *Neither Security nor Justice: Sexual and Gender-based Violence and Gang Violence in El Salvador, Honduras, and Guatemala*, May 4, 2017.

[38] "MINED Reporta Deserción de 12,000 Estudiantes," *La Prensa Gráfica*, August 26, 2017.

[39] Flacso et al., *Mapa de Violencia no Brasil: Homicidio de Mulheres no Brasil 2015*, 2015.

[40] U.S. Department of State, *Country Reports on Human Rights Practices: El Salvador*, April 12, 2017, p. 2.

[41] James Bargent, "El Salvador Strikes Against Death Squads Led by Army, Police," *Insight Crime*, June 23, 2017.

[42] El Salvador Special Police Unit Committed Extrajudicial Executions: Report," *Insight Crime*, August 23, 2017; Parker Asmann, "El Salvador Death Squad Cases Go International," *Insight Crime*, September 7, 2017.

[43] "El Salvador's FGR Head Denounces Death Threats," *Latin News Daily*, September 26, 2017.

El Faro, an investigative news agency, documented as having been extra-judicially killed during what has been called the "San Blas massacre."[44]

Confronting Past Human Rights Violations

Twenty years after a U.N. Commission released its report on the war in El Salvador, Amnesty International issued a statement lamenting that the perpetrators of crimes identified in that report had not been brought to justice in El Salvador and that survivors had not received reparations.[45] In October 2013, then-President Funes signed a decree creating a program to provide reparations to the victims of the armed conflict. It is unclear how much funding has been budgeted for that program and how many people it has assisted thus far.

In his inaugural address, President Sánchez Cerén pledged to help families who are seeking to find out what happened to their loved ones during the war. On September 27, 2017, Sánchez Cerén launched a commission to help people find out what happened to their family members who disappeared.[46] The commission will include two members whose names will be proposed by families of the missing and will be modeled after the government-sponsored national search commission that has located children who went missing during the conflict. In order for the commission to be successful, it is likely to need access to Salvadoran military records and some classified U.S. documents from the period of the conflict so that that information collected from the testimonies of survivors and witnesses can be corroborated. Some Members of Congress asked President Obama for that information to be de-classified, but it will now be up to the Trump Administration to decide whether or not to approve those types of requests.[47]

After the supreme court overturned the 1993 Amnesty Law in July 2016, Attorney General Melendez created a small group of prosecutors to investigate past crimes. This group may now be receiving technical assistance from U.N. experts.[48] Private human rights attorneys have re-opened the emblematic case against 18 surviving military officers charged with involvement in the El Mozote massacre carried out by an elite Salvadoran army battalion in December 1981 in Morazán that resulted in some 900 deaths.[49] The case is before a national criminal court. Investigators have encountered difficulties, however, as the military has refused to turn over its historical records on its operations in that region.[50] Some remain skeptical that this and other emblematic cases will be solved. Parties on both the left and the right may feel vulnerable to political or legal attack about abuses that took place during the war and might prefer that the crimes of the past remain unexamined. An illustrative example of the problem confronting political actors is that shortly after the El Mozote case was re-opened against former military officers, a private party filed a

[44] "San Blas Massacre Case Ignores Key Evidence of Widespread Wrongdoing—El Faro," *Latin America Daily Briefing*, July 18, 2016.

[45] Amnesty International, "El Salvador: No Justice 20 Years on from UN Truth Commission," press release, March 15, 2013.

[46] This paragraph draws from Geoff Thale, "Tracking El Salvador's Progress in Historic Human Rights Cases," WOLA, October 27, 2017.

[47] Ibid.; Office of Rep. Jim McGovern, "McGovern, Torres Lead 26 Members of Congress Calling for Obama to Declassify Records of the Disappeared in El Salvador Civil War," press release, August 25, 2016.

[48] Iliana Cornejo, "ONU fortalecerá a FGR y CSJ para resolver crímenes de Guerra," *El Mundo*, March 10, 2017.

[49] For historical background, see Mark Danner, "The Truth of El Mozote," *The New Yorker*, December 6, 1993.

[50] Cristosal, "Attorney General's Office Must Investigate What Munguía Payés [Minister of Defense] Did to Declare That Information on El Mozote Is Non-Existent," October 16, 2017.

case against President Sánchez Cerén and several others for alleged kidnappings that occurred in the late 1980s.[51]

Economic and Social Conditions

El Salvador continues to face significant economic challenges. According to the International Monetary Fund (IMF), El Salvador posted an economic growth rate of 2.4% in 2016, the lowest of any country in Central America. The economy is predicted to grow by an estimated 2.3% in 2017 and 2.1% in 2018. While strong remittances and low oil prices have benefitted the economy, natural disasters, including flooding in June 2017, have hindered agricultural output.[52]

Economists have identified a lack of public and private investment in the economy as a primary reason for El Salvador's low growth rates. According to El Salvador's Central Bank, foreign direct investment (FDI) inflows totaled $345 million from January to September 2016, significantly less than the $1 billion average among the other Central American countries over that period.[53] Low levels of FDI have been attributed to the country's difficult business climate, complicated regulations, public security challenges, and ineffective justice system.[54] El Salvador has taken steps to ease the process for businesses to obtain permits for new construction and pay taxes online, increase access to electricity, and place more staff at its ports of entry to speed up border crossings. As a result, El Salvador rose 22 spots in the World Bank's 2017 *Doing Business* report for 2017, ranking second highest out of the countries in Central America.[55]

Despite those efforts, insecurity remains a barrier to growth in El Salvador. According to a 2016 report by El Salvador's central bank, violence cost El Salvador 15% of its GDP in 2014. El Salvador ranked last out of 137 countries evaluated in the World Economic Forum's estimates of business costs due to crime and violence.[56] Crimes against small and medium-sized businesses, which employ 55% of El Salvador's labor force, are of particular concern. According to a 2015 survey, 42% of such businesses had been victims of crimes in the past year, with extortion the most common crime reported.[57]

Another barrier to growth in El Salvador is its lack of competitiveness in export sectors.[58] With a dollarized economy, El Salvador has higher labor costs than neighboring countries and Asian competitors, and it must have a high level of productivity to be competitive. According to a joint U.S.-Salvadoran analysis, the country's labor force lacks adequate education and vocational training, including English-language skills. The country also exhibits logistical and physical infrastructure deficiencies.

The Sánchez Cerén government has sought to attract foreign investment through public-private partnerships (PPPs) for infrastructure development, with a revised PPP law and an investment stability law. Although in the past some FMLN leaders have been opposed to PPPs due to concerns that they would lead to the privatization of public services, the current government has

[51] Gabriel García, "Avanza Investigación Contra Sánchez Cerén por Secuestro," *La Prensa Gráfica*, February 9, 2017.

[52] Economist Intelligence Unit, *Country Report: El Salvador*, October 10, 2017.

[53] U.S. Department of State, *El Salvador: Investment Climate Statements for 2017*.

[54] Ibid.

[55] World Bank, *Doing Business*, http://www.doingbusiness.org/rankings?region=latin-america-and-caribbean.

[56] See http://reports.weforum.org/global-competitiveness-report-2015-2016/competitiveness-rankings/.

[57] Fusades et al., *Extorsiones a la Micro y Pequeña Empresa de El Salvador*, June 2016.

[58] U.S. Department of State, *Partnership For Growth: El Salvador Constraints Analysis*, July 2011.

recognized that PPPs are the only way to obtain the amount of funding needed to develop the country's infrastructure. Despite that interest, there are only 10 active PPP projects in El Salvador worth roughly $375 million in investment.[59]

The IMF and others have urged the Salvadoran government to adopt financial sector reforms, as well as to focus on structural reforms to attract investment, increase growth, and reduce the country's fiscal deficit, which is unsustainably high.[60] The Salvadoran government has tended to swap short-term debt for longer-term debt rather than implement unpopular fiscal reforms. In addition, long-standing government practices in El Salvador—including cash payments to officials, shielded budgetary accounts, and diversion of government funds—have contributed to fiscal woes. A September 2017 pension reform should help ease the financial burden on that system, but few analysts predict that the FMLN and ARENA will agree on a broader fiscal pact that would include a fiscal responsibility law and other measures.[61] Potential reforms include raising the value-added tax and creating a property tax, implementing a government hiring freeze, and limiting wage increases in the public sector.

Social Conditions

El Salvador's development challenges have been exacerbated by the country's long and violent civil conflict, persistent poverty and inequality, and family disintegration. The effects of the 2009 global financial crisis and U.S. recession set back some of the progress that had been made prior to that time in reducing poverty in the country. Nevertheless, conditional cash transfers and other social programs, largely supported by loans from multilateral development banks, helped to reduce poverty between 2010 and 2015 from 47.0% to 35.9%. Income inequality remains a challenge, although it declined by 4% from 2006 to 2015, according to the World Bank. This reduction occurred as a result of a growth in income of the poorest 20% of the population.[62]

Nevertheless, El Salvador's slow growth rates have inhibited greater improvement in social development. Enrollment in secondary education increased to 70.2% in 2014 from 58% in 2005, but few jobs are available even for those who graduate from secondary school. Despite that progress, some 240,000 young people neither study nor work.[63] Enrollment in primary education has dropped slightly from 94.4% in 2005 to 93.1% in 2014, likely due to gang-related intimidation of youth. The Salvadoran government reported that approximately 36,000 students left the educational system in 2016, and up to 15,000 of those students left due to gang violence.[64] Food insecurity, often caused by drought or other natural disasters, has become a major driver of emigration from El Salvador. Although they may eventually benefit from remittances sent by relatives living abroad, family members who are left behind are often saddled with debts owed to smugglers, an increased work burden (especially in agriculture), and emotional trauma.[65]

Upon taking office, President Sánchez Cerén stated his intention to increase social spending using revenues that would be made available by reductions in energy costs that would occur as a result of the country's entrance into Petrocaribe.[66] Since that time, oil prices have fallen, which has

[59] See https://pppknowledgelab.org/countries/el-salvador/.

[60] IMF, IMF Executive Board Concludes 2016 Article IV Consultation with El Salvador, June 22, 2016.

[61] Economist Intelligence Unit, *Country Report: El Salvador*, October 31, 2017.

[62] The World Bank, "El Salvador: Overview," updated October 10, 2017.

[63] WOLA, *A Future at Home: Investing in Youth Opportunity in Central America*, February 2016.

[64] Agencia EFE, "Unos 15,000 Salvadoreños Dejaron Escuela en 2016 por Violencia de Pandillas," January 12, 2017.

[65] World Food Program et al., *Food Security and Migration*, August 2017.

[66] Amadeo Cabrera et al., "El Salvador Ingreso a Acuerdo Petrocaribe," *La Prensa Gráfica*, June 3, 2014.

eased the country's energy costs. At the same time, economic conditions in Venezuela have deteriorated significantly and cast doubt on the future of the Petrocaribe program. The Sánchez Cerén government has been unable to increase social spending significantly or to secure large new loans (as President Funes did) to support new social programs.

U.S. Relations

U.S. relations with El Salvador have remained friendly, although they could be strained by changes in U.S. immigration policies. From 2011 to 2016, El Salvador participated in the Partnership for Growth (PFG), a foreign aid initiative involving close U.S. whole-of-government cooperation with four selected countries on mutually agreed upon objectives. In September 2014, the Millennium Challenge Corporation (MCC) signed a $277 million compact with El Salvador to develop the southern coastal region; it aims to help El Salvador take better advantage of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR).[67] El Salvador completed a $461 million MCC compact in 2012.

Security, governance, and migration issues are likely to continue to figure prominently on the bilateral agenda, particularly now that President Trump has issued an executive order to increase U.S. immigration enforcement, prioritized combating and deporting gang members, rescinded the Deferred Action for Child Arrivals (DACA) program, and signaled that Temporary Protected Status (TPS) for Salvadorans in the United States may not be renewed (discussed further below). The importance of combating gangs, particularly MS-13, proved to be a central focus of Attorney General Jeff Session's July 2017 visit to El Salvador.[68] Sessions announced that MS-13 is a "top priority" for U.S. law enforcement agencies that participate in the Organized Crime Drug Enforcement Task Forces.[69]

Congress plays a key role in appropriating bilateral and regional aid to El Salvador, and overseeing implementation of U.S. assistance programs. Congress is likely to monitor how the Salvadoran government is or is not improving the investment climate in El Salvador, dealing with gangs, preventing emigration, and combating corruption.

U.S. Foreign Assistance

State Department Assistance: Bilateral and Regional

From 2011 to 2016, the Obama Administration implemented the PFG in El Salvador. The initiative involved close collaboration between the U.S. and Salvadoran governments on specific barriers to economic growth—namely, violence and lack of competitiveness in export industries. As part of that effort, U.S. law enforcement and prevention programs began to be co-located through a "place-based approach" in the same cities that the Salvadoran government prioritized in its security plan. A final evaluation found "mixed and often negative" security and economic

[67] Established in 2004, the Millennium Challenge Corporation (MCC) provides economic assistance through a competitive selection process to developing nations that demonstrate positive performance in three areas: ruling justly, investing in people, and fostering economic freedom. For background, see MCC, "El Salvador Investment Compact," https://www.mcc.gov/where-we-work/program/el-salvador-investment-compact.

[68] U.S. Department of Justice (DOJ), "Attorney General Jeff Sessions Delivers Remarks at The International Law Enforcement Academy Graduation," San Salvador, El Salvador, July 28, 2017.

[69] DOJ, "Attorney General Sessions Delivers Remarks to the International Association of Chiefs of Police," October 23, 2017.

indicators still present in the country at the end of the five-year period but credited the PFG with helping El Salvador pass legislation (on taxes and access to public information), create new institutions (such as a Growth Council to foster public-private dialogue), and fulfill its MCC commitments.[70]

The PFG has been replaced by the U.S. Strategy for Engagement in Central America, which is designed to promote economic prosperity, improve security, and strengthen governance in El Salvador and the rest of the region.[71] The objectives of the new U.S. strategy align with the Plan of the Alliance for Prosperity (AFP) proposed by the governments of El Salvador, Guatemala, and Honduras with implementation support from the Inter-American Development Bank.[72] Congress has appropriated funding for the new U.S. strategy, including $67.9 million in bilateral aid for El Salvador in FY2016 and an estimated $72.7 million in FY2017. Assistance provided in FY2016 and FY2017 has included more of an emphasis on development than in the past and has been subject to strict conditions.

El Salvador has also received regional security assistance provided through the Central America Regional Security Initiative (CARSI), which has supported justice sector reform, police unit vetting, border security, anti-gang efforts, and violence prevention efforts, among other initiatives. From FY2008 to FY2017, Congress appropriated more than $1.8 billion for Central America through CARSI. The State Department and the U.S. Agency for International Development allocated $73.4 million in FY2016 CARSI funding to El Salvador.[73]

Table 1. U.S. Bilateral Assistance to El Salvador: FY2015-FY2018

(millions of dollars)

Account	FY2015	FY2016	FY2017 Estimate	FY2018 Request	FY2018 House	FY2018 Senate
DA	25.0	65.0	70.0	0.0	52.6	61.0
ESF	19.0	0.0	0.0	0.0	0.0	0.0
ESDF	0.0	0.0	0.0	45.5	0.0	0.0
FMF	1.6	1.9	1.9	0.8	1.9	1.9
IMET	0.95	1.0	0.8	0.0	0.8	0.8
Total	**46.55**	**67.9**	**72.7**	**46.3**	**55.3**	**63.7**

Sources: U.S. Department of State, *Congressional Budget Justification for Foreign Operations: FY2017-FY2018*; the explanatory statement accompanying P.L. 115-31; H.Rept. 115-253; S.Rept. 115-52.

Notes: DA = Development Assistance; ESF = Economic Support Fund; ESDF = Economic Support and Development Fund; FMF = Foreign Military Financing; IMET = International Military Education and Training.

[70] U.S. Agency for International Development (USAID), *Performance Evaluation of the Partnership for Growth in El Salvador*, July 2017, https://sv.usembassy.gov/wp-content/uploads/sites/ ... /Final_Evaluation_English.pdf.

[71] CRS Report R44812, *U.S. Strategy for Engagement in Central America: Policy Issues for Congress*, by Peter J. Meyer.

[72] The plan is outlined at http://www.iadb.org/en/news/news-releases/2014-11-14/northern-triangle-presidents-present-development-plan,10987.html.

[73] U.S. Department of State, *Congressional Notification, State Western Hemisphere Regional: Central America Regional Security Initiative (CARSI), El Salvador*, October 14, 2016; USAID, *CN #15, Congressional Notification for the Central America Regional Security Initiative*, October 14, 2016.

The Trump Administration has pledged to maintain the U.S. Strategy for Engagement in Central America, albeit with more of an explicit focus on combating transnational crime and drug trafficking, deterring illegal immigration, and encouraging private investment.[74] For FY2018, the Trump Administration requested $46.3 million in bilateral assistance for El Salvador (a 36% cut from the 2017 estimated assistance provided) and $263.2 million for CARSI (a 20% cut from 2017). The request would provide $45.5 million through a new Economic Support and Development Fund to continue the economic and governance programs that had previously been funded through Development Assistance. It would also provide $800,000 to train military personnel but does not allocate Foreign Military Financing, which is used to purchase U.S. military equipment, to El Salvador.

The House Appropriations Committee's FY2018 State Department and Foreign Operations appropriations bill, H.R. 3362 (H.Rept. 115-253), which was incorporated into the House-passed full-year FY2018 Omnibus Appropriations Measure, H.R. 3354, recommends $55.2 million for El Salvador and $334.2 million for CARSI. The Senate Appropriations Committee's version of the bill, S. 1780 (S.Rept. 115-52), recommends $63.7 million for El Salvador and $299.2 million for CARSI. The Senate Appropriations Committee's version of the bill, S. 1780 (S.Rept. 115-52), recommends $63.7 million for El Salvador and $299.2 million for CARSI, including $10.5 million for the attorney general's office.

Some analysts maintain that El Salvador is well-placed to partner with the U.S. government and other donors on economic and security programs, whereas others dispute that assertion. On the one hand, El Salvador has drafted a solid security plan with help from international donors and created a multisectoral Alliance for Prosperity Consultative Group to help oversee its implementation. That group includes U.S. officials, as well as at least six Salvadoran ministries, a mayoral representative, the local chapter of Transparency International, and the private sector. On the other hand, El Salvador is the only country in the so-called "northern triangle" of Central America where violence is trending upward. El Salvador is also the only northern triangle country that does not have an external entity supporting the attorney general's office in conducting anticorruption investigations.[75]

Millennium Challenge Corporation (MCC) Investment Compact[76]

El Salvador signed a second $277 million compact on September 30, 2014, to focus on improving transportation infrastructure, employment opportunities, and the investment climate. The Salvadoran government committed to match that contribution with $88 million in complementary investments. Key compact projects include the following:

- **Investment Climate Project ($42 million MCC funds/$50 million Salvadoran funds):** seeks to help the government develop and implement regulatory improvements and to better partner with private investors to build infrastructure and provide public services.
- **Human Capital Project ($100.7 million MCC funds/$15 million Salvadoran funds):** supports full-day schooling; reforms to the policies and operations that

[74] U.S. Department of State, "United States Key Deliverables for the June 15-16, 2017 Conference on Prosperity and Security in Central America," June 16, 2017; U.S. Department of State, *Report to Update the U.S. Strategy for Engagement in Central America*, August 8, 2017.

[75] Guatemala has the U.N.-sponsored International Commission Against Impunity in Guatemala (CICIG) and Honduras has the OAS-sponsored Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH).

[76] See CRS Report RL32427, *Millennium Challenge Corporation*, by Curt Tarnoff.

govern teacher training and student assessment; and a new technical, vocational, education, and training system that is aligned with labor market demands.

- **Logistical Infrastructure Project ($109.6 million MCC funds/$15.7 million Salvadoran funds):** will widen the part of El Salvador's coastal highway that connects the airport and the ports of La Unión and Acajutla and improve border crossing facilities into Honduras at El Amatillo.

In response to some lingering concerns expressed by board members, the Salvadoran government designed a Priority Action Plan that was then agreed to by both governments to be completed prior to the compact's signing. The action plan required the Salvadoran government to (1) appoint a director and deputy director to a newly established financial crimes investigation unit in the police; (2) approve an asset forfeiture law; (3) approve reformed anti-money-laundering legislation that meets international standards; (4) approve reforms to the country's public-private partnership law to make it attractive to investors; and (5) issue a revised decree on how corn and bean seed are procured that is consistent with CAFTA-DR. The fifth condition was subsequently removed. The compact entered into force in September 2015.

Department of Defense (DOD) Assistance

DOD provides counternarcotics foreign assistance to train, equip, and improve the counternarcotics capabilities of relevant agencies of the Salvadoran government with its Counternarcotics Central Transfer Account appropriations. DOD assistance totaled $6.4 million in FY2016 and an estimated 4.7 million in FY2017.

Migration Issues

The United States is home to 1.4 million people born in El Salvador, some 700,000 of whom the Pew Research Center estimates to be unauthorized.[77] Remittances sent from those Salvadorans contribute up to 17% of El Salvador's GDP, according to the World Bank. The U.S. government granted TPS to eligible Salvadoran migrants following a series of earthquakes in El Salvador in 2001 that forced thousands of Salvadorans to leave the country and prompted a determination that the country was temporarily incapable of handling the return of its nationals. TPS has been extended 13 times, most recently on July 8, 2016, and is currently scheduled to expire on March 9, 2018. There could be as many as 262,500 Salvadorans who benefit from TPS, many of whom have U.S. citizen children.[78] The Salvadoran government and some Members of Congress are lobbying for TPS to be extended, but the Trump Administration has signaled that future renewals may not be forthcoming.[79]

U.S. removals (deportations) of unauthorized Salvadorans have risen since the mid-2000s, with a substantial percentage of those removed possessing some sort of criminal record. Many of those

[77] Data are from the 2016 U.S. Census Bureau's American Community Survey; Jeffrey S. Passel and D'vera Cohn, "Overall Number of U.S. Unauthorized Immigrants Holds Steady Since 2009," Pew Research Center, September 20, 2016.

[78] Data provided to CRS by U.S. Citizenship and Immigration Services. These data reflect individuals with TPS as of October 12, 2017. These data include some individuals who have since adjusted to other statuses and may include individuals who have left the country or died. These data do not necessarily include all migrants from the countries who are in the United States and are eligible for the status.

[79] Hugo Martinez, "El Salvador Shares US Goal of Security in Tackling MS-13, Drug Trafficking," *The Hill*, September 24, 2017; "Immigrants From Honduras, Nicaragua Face US Deadline," *VOA News*, October 31, 2017. See CRS Report RS20844, *Temporary Protected Status: Overview and Current Issues*.

deported on a criminal basis have committed non-violent offenses or been convicted of immigration-related crimes. In FY2016, the U.S. government deported 20,538 Salvadorans.[80] Deportations could increase further as a result of President Donald Trump's executive actions focusing on immigration enforcement and his Administration's prioritization of enforcement actions and removals of gang members.[81]

Several factors such as violence, economic concerns, and a desire to reunite with families have contributed to high levels of emigration from El Salvador to the United States in recent years. Mexico and the United States have responded to these flows by stepping up immigration enforcement, working with Central American officials to combat human smuggling and alien trafficking, and calling for greater investment in the northern triangle countries. As previously discussed, Congress has provided higher levels of foreign assistance to address the root causes of migration since FY2016. Despite these efforts, the unaccompanied children from El Salvador apprehended in FY2016 on the U.S. southwest border surpassed the record high from 2014.[82] In FY2016, there were 27,114 family units apprehended along the southwest border. In FY2017, arrivals of unaccompanied children had decreased significantly through August, but family unit arrivals had reached 23,439, which is not significantly lower than the FY2016 total.[83]

In December 2014, the U.S. government launched an in-country refugee/parole processing program known as the Central American Minors (CAM) program for children with parents residing legally in the United States. In July 2016, the U.S. government expanded the CAM program to include additional eligible family members. As of September 25, 2017, over 11,648 children and family members had sought relocation through the program, according to data from the State Department. Approximately 86% of these individuals were from El Salvador. As of that time, some 2,464 refugees and parolees from El Salvador had arrived in the United States. The Trump Administration announced the end of the CAM parole program in a *Federal Register* notice on August 16, 2017.[84] The Department of Homeland Security (DHS) is still accepting applications for the CAM refugee program, but the Administration has set a refugee allocation for Latin America during FY2018 of 1,500.[85]

On September 5, 2017, Attorney General Jeff Sessions announced that the DACA policy, an Obama Administration initiative, was being rescinded. A related memorandum released by DHS that same day rescinded the 2012 memorandum that established DACA and described how DHS would "execute a wind-down of the program." President Trump and some congressional leaders have conducted further discussions on the future of the DACA program and possible legislation concerning covered persons. To date, Congress has considered, but never enacted, legislation on

[80] U.S. Immigration and Customs Enforcement, *FY2016 ICE Enforcement and Removal Operations Report*.

[81] Executive Order, "Border Security and Immigration Enforcement Improvements," January 25, 2017; Executive Order, "Presidential Executive Order on Enforcing Federal Law with Respect to Transnational Criminal Organizations and Preventing International Trafficking," February 9, 2017; U.S. Department of Justice, "3,800 Gang Members Charged in Operation Spanning United States and Central America," September 29, 2017.

[82] According to DHS, Customs and Border Protection encountered 16,404 unaccompanied children from El Salvador in FY2014 and 17,512 in FY2016. See https://www.cbp.gov/newsroom/stats/southwest-border-unaccompanied-children/fy-2016.

[83] See https://www.cbp.gov/newsroom/stats/usbp-sw-border-apprehensions.

[84] U.S. Department of Homeland Security (DHS), U.S. Citizenship and Immigration Services (USCIS), In-Country Refugee/Parole Processing for Minors in Honduras, El Salvador and Guatemala (Central American Minors – CAM), August 16, 2017.

[85] White House, "Presidential Determination on Refugee Admissions for Fiscal Year 2018," September 29, 2017.

the DACA initiative. The government of El Salvador hopes that the roughly 25,900 Salvadorans currently benefitting from DACA continue to be protected.[86]

Counternarcotics Cooperation

Although El Salvador is not a producer of illicit drugs, it does serve as a transit country for narcotics, mainly cocaine and heroin, cultivated in the Andes and destined for the United States. In September 2017, President Trump included El Salvador on the annual list of countries designated as "major" drug-producing or "drug-transit" countries for the seventh consecutive year.[87] A country's inclusion in the list, however, does not mean that its antidrug efforts are inadequate. In 2016, Salvadoran officials seized around 12.3 metric tons of cocaine, an amount roughly four times larger than the total seized in 2015.[88] The government also denied some $203.4 million in illicit revenue to crime groups, including assets seized during a major takedown of gang-affiliated money launderers ("Operation Check") in July 2016 that was carried out, in part, by U.S.-funded vetted units. During the first nine months of the year, the government arrested 1,652 suspected drug traffickers. Still, corruption continues, and a lack of resources and equipment for the police and attorney general's office, inadequate interdiction efforts, and prisons in need of reform hinder El Salvador's antidrug efforts, according to the State Department.

Trade Relations

The United States is El Salvador's main trading partner, purchasing 47.2% of its exports and supplying 36.7% of its imports.[89] Salvadoran exports to the United States include apparel, electrical equipment, sugar, and coffee; its top imports from the United States are fuel oil, heavy machinery, electrical machinery, cereals, plastics, and vehicles. The United States had a trade surplus with El Salvador of $437 million for 2016.

On December 17, 2004, despite strong opposition from the FMLN, El Salvador became the first country in Central America to ratify the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). El Salvador was also the first country to pass the agreement's required legislative reforms, implementing CAFTA-DR on March 1, 2006. Since that time, the volume of U.S.-Salvadoran trade has tended to follow trends in growth rates in the United States, with a variety of factors inhibiting the performance of Salvadoran exports vis-à-vis the other CAFTA-DR countries. Those factors have included a continued dependence on the highly competitive apparel trade, low levels of investment, public security problems, and governance concerns.

Since the United States enjoys a trade surplus with CAFTA-DR countries, most analysts had not predicted that the Trump Administration would seek to renegotiate the agreement, as it has with the North American Free Trade Agreement. On October 2, 2017, U.S. Trade Representative Robert Lighthizer said that CAFTA-DR and a number of other U.S. free trade agreements with Latin American countries "need to be modernized, more or less."

[86] USCIS, "Approximate Active DACA Recipients: Country of Birth," September 4, 2017.

[87] White House, "Presidential Determination on Major Drug Transit or Major Illicit Drug Producing Countries for Fiscal Year 2018," September 13, 2017.

[88] U.S. Department of State, *2016 International Narcotics Control Strategy Report*, March 2017.

[89] Trade data contained in this section are from Global Trade Atlas.

Human Rights Cases: Former Salvadoran Officials Tried in the United States

Although the amnesty law made bringing cases against human rights abusers from the war era nearly impossible to do in El Salvador, some former Salvadoran military leaders who have resided in the United States have faced judicial proceedings regarding their immigration statuses. In recent years, the Human Rights Violators and War Crimes Unit within the Bureau of Immigration and Customs Enforcement (ICE) of the Department of Homeland Security (DHS) has conducted investigations focused on past human rights violations in El Salvador.[90]

- In February 2012, an immigration judge ruled that former Salvadoran Defense Minister Carlos Eugenio Vides Casanova could be removed (deported) from the United States based on his role ordering the torture of Salvadoran citizens, the 1980 killings of four American churchwomen, and the 1981 killings of land reformers. That decision was upheld in March 2015, and Vides Casanova was deported to El Salvador on April 8, 2015.
- In September 2012, Colonel Inocente Orlando Montano, one of the officials named by the Spanish judge as responsible for the aforementioned Jesuit murders, pled guilty to immigration fraud. Montano had hidden his military past when applying for TPS in the United States. He was sentenced to 21 months in prison. In August 2017, a federal judge approved a lower court ruling that Orlando Montano could be extradited to Spain to face charges for his role in the 1989 killing of six Jesuit priests, most of whom were Spanish.[91]
- In February 2014, a federal judge determined that a former Salvadoran defense minister, General José Guillermo García, can be removed (deported) based on his role in brutal human rights violations. The judge ruled that he "assisted or otherwise participated" in 11 violent incidents, including the 1980 killing of Archbishop Óscar Arnulfo Romero. He was deported to El Salvador in January 2016.
- In February 2017, the U.S. Attorney in the Eastern District of Texas filed a civil lawsuit against Arnoldo Antonio Vasquez, a Salvadoran who misrepresented his past in order to obtain U.S. citizenship. According to an investigation conducted by ICE, Vasquez failed to acknowledge his involvement as a military officer in the extrajudicial killing of 10 civilians in San Sebastian, El Salvador, in 1988.[92]

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[90] For an update on pending cases, see http://www.cja.org/article.php?list=type&type=199.

[91] Jonathan Drew, "Judge Clears Way for Extradition of ex-Salvadoran Colonel," Associated Press, August 21, 2017.

[92] ICE, "Denaturalization Lawsuit Filed Against Alleged Human Rights Abuser Originally From El Salvador Residing in North Texas," press release, February 10, 2017.

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