

CIVIL CONSTRUCTION COMPANY IN EL SALVADOR

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How to start a heavy civil construction company in El Salvador:

1. What the process is to start a heavy civil construction company in El Salvador

- Establishing a company:

As part of the improvements to the business climate, El Salvador has created a one-stop channel to establish companies and get the business registration number. These steps are done online at www.miempresa.gob.sv, making El Salvador part of the few countries worldwide that offer a virtual one-stop office to establish a company:

1	Prepare articles of incorporation before a public notary ¹
2	Registration of articles of incorporation.
3	Company and establishment license.
4	Tax identification number (NIT) registration.
5	Registration of company's taxpayer registration number - Value Added Tax (NRC/IVA).
6	Opening balance sheet registration.
7	Employer identification number registration at ISSS.
8	Workplace Registration.
9	Employer registration at the pension fund administrators (AFP).
10	Registration of company's internal work rules.
11	Foreign capital registration at the ministry of economy's national investment office (ONI) ¹
12	Company registration solvency at the directorate - General directorate of statistics and census (DIGESTYC).
13	Company registration at the corresponding mayor's office ² .

¹This step must be made in person at the corresponding institution.

²If your company is located in San Salvador or Santa Ana, this step can be done online www.miempresa.gob.sv. Otherwise, it will have to be done at the corresponding Mayor's Office.

- "Unión de Personas" (UDP):

UDP, or "Unión de Personas" in Spanish, refers to a grouping of organized individuals who carry out the taxable events contained in tax laws, regardless of the contractual, associative, or denominational modality, such as partnerships, consortia, or participation contracts.

UDP is a kind of company that allows it to operate formally, obtaining taxpayer status; It should be clarified that this is constituted for a specific period, which can help to operate while the company grows.

The documents to establish an UDP are:

1	Public deed of constitution in the Commercial Registry (RC).
2	Authorization of the Board of Directors of the company to constitute a UDP.
3	Credential of the legal representative registered in the Commercial Registry (RC).
4	Tax identification number (NIT) of the legal representative.
5	Tax identification number (NIT) of the company.
6	Identity document or passport of the legal representative.



2. How the contracts are awarded and where to look for contracts with the government.

The State of El Salvador contracts through public bidding processes and other contracting procedures regulated by Public Procurement Law and its regulations.

The Public Procurement Law creates the National Public Procurement System, which includes the necessary elements for the administration, implementation, coordination, operation, and monitoring of government contracting, also known as public purchases, public contracting, or administrative contracting.

To find out government bidding processes, and be a supplier, it is essential to register the company in the electronic system "COMPRASAL". The electronic public procurement system is used through the website <https://www.comprasal.gob.sv/login>

To register as a supplier, you must follow the next steps:

<https://www.comprasal.gob.sv/register>

1	Identity document or passport for registration
2	Complete general information
3	Register at least one type of Works, Goods or Services in which you wish to participate to receive business opportunities
4	As a legal entity, the following legal documentation must be entered: <ul style="list-style-type: none">• Tax identification number (NIT) of the company• Registration of company's taxpayer registration number (NRC)• Public deed of constitution• Trade Registration• Credential of the legal representative registered in the Commercial Registry (RC)• Identity document or passport of the legal representative• Tax identification number (NIT) of the legal representative

After registering as a supplier, you can also search for current opportunities in the PROCESSES option on the main menu.

<https://unac.gob.sv/comprasalweb/procesos>

3. If there are government Programs in El Salvador that help private sector investment.

The government of El Salvador, through *InvestES*, provides investor assistance services at different stages of project development.

Investment promotion:

- Investment tours, conferences, and workshops (Campaigns and promotional events).
- Meetings with investors presenting investment opportunities and the business climate.
- Preparation of customized information.
- Planning, organization, preparation and management of site visit to the country (Ad Hoc Business Agenda).

Investment facilitation:

- Investor advice with sectoral investment specialist for the establishment of the company.
- Connecting with public, private, and academic actors to foster synergies.
- Advice on issues of procedures and establishment permits (preparation of roadmaps).



Investment retention and expansion:

- Assessment in the expansion process.
- Facilitation in procedures and permits.
- Monitoring the business climate (Investment Climate Assessment)
- Monitoring and development of improvement policies in processes and legal framework.
- Immediate attention to solve concerns to established companies.
- Accompaniment in the participation of fairs by established companies.
- Lifetime Investor Relationship (Aftercare).

Linkages and communications:

- Lists of Service Providers (Strategic Allies).
- Support for sub-contracts with foreign and domestic companies.
- Facilitating the development of new products or services.
- Preparation of country communication information.
- Roadmaps for the development and improvement of the ecosystem of the prioritized sectors.
- Support in coverage of events with investors.