



ADVOCACY WORKING GROUP
MARKET STUDIES PROJECT

MARKET STUDIES INFORMATION STORE

JURISDICTION:

El Salvador – Competition Superintendence Of El Salvador

UPDATED: DECEMBER 2015

Information Store

El Salvador – Competition Superintendence of El Salvador

Sector:	Groceries (food and drink)											
Market:	Convenience Goods Retail (periodically consumed products)	Range of Possible Outcomes										
End Date:	18th August 2015 DECISION DATE											
Duration:	Start date (contract): August/2013 End date (decision): August/2015											
Source of idea for study:	Though its market analysis and monitoring, the SC found out that in 2013 the country had a highly concentrated retail distribution structure that was highly concentrated among few supermarket chains after the exit of different participants. These chains coexisted with a great quantity of informal traders of smaller size which participated together in common spaces as squares and municipal markets, or disseminated in stores or shops of reduced size.											
Outcome (tick relevant columns):	Main outcome: recommendations in selected areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The aim of the study is to identify the commercial practices or other aspects related to the purchasing power or the dominant position of agents in the retail of households frequently-consumed products (convenience goods) that could hinder competition dynamics and consumer welfare.											
Link to report:	http://www.sc.gob.sv/pages.php?id=1638 Decision: http://www.sc.gob.sv/pages.php?id=1637											

Information Store

Sector:	Fuel										
Market:	Liquid fuels	Range of Possible Outcomes									
End Date:	June 24 th , 2015 DECISION DATE	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	Start date (contract): November/2013 End date (decision): June/2015										
Source of idea for study:	Update of the 2006 Liquid Fuels Study										
Outcome (tick relevant columns): Main outcome: recommendations in selected areas			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The Study will allow to review again the competition conditions in these markets and to match current results with the situation in 2006 when the first Study ended. The main objective is to evaluate the competition conditions which will facilitate the Competition Law's enforcement and will provide a sound basis for the issuance of public policy recommendations to promote economic efficiency and consumer welfare.										
Link to report:	http://www.sc.gob.sv/pages.php?Id=1636 Decisions: http://www.sc.gob.sv/pages.php?Id=1635										

Information Store

Sector:	Groceries (food and drink)											
Market:	Edible oils and fats	Range of Possible Outcomes										
End Date:	23rd July 2014 DECISION DATE											
Duration:	Start date (contract): July/2010 End date (decision): June/2014											
Source of idea for study:	Based on a preliminary evaluation of the edible fats and oils markets in El Salvador made by this SC, it was determined the need to increase the understanding of its performance and competition conditions. The main criteria that motivated the beginning of the study were the increase in these goods prices between 2007 and 2009, the probable high concentration in this markets and the relevant consumption of this products among the population, as this are included among the main convenience goods needed.											
Outcome (tick relevant columns): Main outcome: recommendations in selected areas		Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The aim of the study is to determine the competition conditions in the oils and fats market through an analysis of the characterization of the supply and demand, the applicable law, national and international market indicators, horizontal and vertical integrations, concentrations in the relevant markets, entry barriers, and market power of the economic agents involved in the studied activity.											
Link to report:	http://www.sc.gob.sv/pages.php?Id=1505 Decision: http://www.sc.gob.sv/pages.php?Id=1509											

Information Store

Sector:	Transport										
Market:	Passenger air transport	Range of Possible Outcomes									
End Date:	27th November 2013 DECISION DATE										
Duration:	Start date (contract): October/2011 End date (decision): November/2013										
Source of idea for study:	In April, 2009, the findings of two Studies on the competition conditions of the passenger air transport sector in Central America produced by the ECLAC (Economic Commission for Latin America and The Caribbean) were known. Afterwards the SC created a profile for the passenger and freight air transport services in El Salvador, which concluded in March, 2011. From its findings, the SC determined that it was necessary to conduct a market study to analyze the performance and competition conditions of the air passenger transport in El Salvador.										
Outcome (tick relevant columns):	Main outcome: recommendations in selected areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The general objective of the study is to diagnose the competition conditions in the passenger air transport, which includes, among others, the identification of the main variables that influence its supply and demand, the determination of relevant markets and the existence of agents with a dominant position or market power, and the analysis of the legal framework that influences the competition conditions of the activities involved.										
Link to report:	http://www.sc.gob.sv/pages.php?Id=1142 Decision: http://www.sc.gob.sv/pages.php?Id=1422										

Information Store

Sector:	Groceries (food and drink)										
Market:	Rice	Range of Possible Outcomes									
End Date:	July 30 th , 2012 DECISION DATE										
Duration:	Start date (contract): March/2012 End date (decision): July/2012										
Source of idea for study:	Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador.										
Outcome (tick relevant columns): Main outcome: recommendations in selected areas		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The aim of this study update is to determine the competition conditions in the rice agro-industry, through the analysis of its regulation, business practices, horizontal and vertical integration, profit margins, pricing policies, and calculation of internationally accepted indexes to measure market competition and estimate the degree of contestability, including the identification of conditions that could enable anticompetitive practices by the economic agents in the market.										
Link to report:	http://www.sc.gob.sv/pages.php?Id=1111 Decisions: http://www.sc.gob.sv/pages.php?Id=1514										

Information Store

Sector:	Insurance											
Market:	Insurance	Range of Possible Outcomes										
End Date:	8th November 2011 DECISION DATE											
Duration:	Start date (contract): July/2010 End date (decision): November/2011											
Source of idea for study:	In April, 2010 a profile of the insurance sector in El Salvador was concluded. From its results, it was determined the need to increase the knowledge of the competition conditions and performance of this sector.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tick relevant columns):	Main outcome: recommendations in selected areas	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The study's main objective is to determine the competition conditions of the insurance sector through an analysis of the legal framework, commercial and administrative strategies, associated costs, commercial practices, profit margins, and licenses granted for the exploitation of the services, pricing policies, and calculation of internationally accepted indexes to measure market competition and estimate the degree of contestability, including the identification of conditions that could enable anticompetitive practices by the economic agents in the market.											
Link to report:	http://www.sc.gob.sv/pages.php?Id=1110 Decisions: http://www.sc.gob.sv/pages.php?Id=1527											

Information Store

Sector:	Financial Services										
Market:	Credit and Debit cards	Range of Possible Outcomes									
End Date:	24th August 2011 DECISION DATE										
Duration:	Start date (contract): July/2010 End date (decision): August/2011										
Source of idea for study:	Based on a preliminary evaluation of the credit and debit cards sector in El Salvador, the SC determined that it was necessary to understand the performance and competition conditions of this sector, in so far as frequently used means of payment. Moreover, credit cards constitute a relevant source of credit for the population. Considering the abovementioned from a consumer's welfare perspective it is a relevant sector and prior to the beginning of the study it appeared as a market in which few economic agents of great size participated.										
Outcome (tick relevant columns):	Main outcome: recommendations in selected areas	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	The aim of the study is to support and promote the compliance with the Competition Law and its principles, by making a characterization of the credit and debit card sector in El Salvador that would allow to identify its relevant aspects, with the objective of establishing its competition conditions and the factors that affect them, with the purpose of diagnose, and, if necessary, to propose the appropriate measures to improve the sector's efficiency and that this translates into an increase in consumer welfare.										
Link to report:	http://www.sc.gob.sv/pages.php?Id=1109 Decisions: http://www.sc.gob.sv/pages.php?Id=1524										

Information Store

Sector:	Manufacturing (Products Excluding Those Which Have Separate Sector Entries)											
Market:	Iron	Range of Possible Outcomes										
End Date:	October/19/2010 (RC-AE-08/2010 Decision date)	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	Start date (contract): January/2010											
	End date (decision): October/2010											
Source of idea for study:	It was included in the studies plan 2006-2010											
Outcome (tick relevant columns):		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the problems)?	Broadly, the Study aims to characterize the iron and steel industry in El Salvador which will provide knowledge of its relevant characteristics in order to establish the competition conditions in the same and present a diagnose and if necessary propose the appropriate recommendations to improve market efficiency and increase consumer welfare.											
Link to report:	Report: http://www.sc.gob.sv/pages.php?Id=1002 Decision: http://www.sc.gob.sv/pages.php?Id=1526											

Information Store

Sector:	Groceries (Food And Drink)											
Market:	Cheese	Range of Possible Outcomes										
End Date:	August/16/2010 (Decision date)	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	Start date (contract): October/2009 End date (decision): August/2010											
Source of idea for study:	It was included in the studies plan of 2006-2010. Also, it was considered necessary as a complement of the first study of dairy products which was focused on milk											
Outcome (tick relevant columns):												
Reason for study (what were the problems)?	There were concerns due to a sustained elevation of price levels in the last five years and its impact on consumer welfare, given that it is a product of massive consumption. Also, this market is considered to have a great relevance due to the jobs and income that it generates.											
Link to report:	Report: http://www.sc.gob.sv/pages.php?Id=950 Decision: http://www.sc.gob.sv/pages.php?Id=1525											

Sector:	Groceries (Food And Drink)											
Market:	Milk	Range of Possible Outcomes										
End Date:	June 2009	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	6 months											
Source of idea for study:	It was included in the studies plan for 2006-2010.											
Outcome (tick relevant columns):												
Reason for study (what were the problems)?	Sustained rises in price levels and the impact on consumer welfare due to its massive consumption, and it is also included in the basic food basket. In addition, there were relatively few competitors in the production and distribution of fluid and powder milk.											
Link to report:	Report: http://www.sc.gob.sv/pages.php?Id=208 Decision: http://www.sc.gob.sv/pages.php?Id=1522											

Information Store

Sector:	Chemicals												
Market:	Fertilizers	Range of Possible Outcomes											
End Date:	April 2009	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	6 months												
Source of idea for study:	Own initiative, it was included in the studies plan 2006-2010.												
Outcome (tick relevant columns):													
Reason for study (what were the problems)?	According to a preliminary evaluation of the market, concerns were raised regarding the relatively few competitors and vertical integration of the productive chain.												
Link to report:	Report: http://www.sc.gob.sv/pages.php?Id=207 Decision: http://www.sc.gob.sv/pages.php?Id=1521												

Sector:	Groceries (Food And Drink)												
Market:	Rice	Range of Possible Outcomes											
End Date:	April 2009	Competition Enforcement Consumer Enforcement Consumer Education Business Education Voluntary Business Compliance Voluntary Business Action Recommendations to Government for Changes in the Law Recommendations to Government to Change Market Structure Recommendations for Changes to Government Policy Referral to Third Parties No Problems Found	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Duration:	9 months												
Source of idea for study:	It was included in the studies plan for 2006-2010. Also, there were some complaints from small rice industrials.												
Outcome (tick relevant columns):													
Reason for study (what were the problems)?	There were concerns about the market structure composed of few participants, a sustained rise of prices, and the impact on consumer welfare.												
Link to report:	Report: http://www.sc.gob.sv/pages.php?Id=262 Decision: http://www.sc.gob.sv/pages.php?Id=1520												