

## THE LEDA OF MORAZÁN SUPPORTING SALVADORIAN COMMUNITY IN THE UNITED STATES

In 2011, the LEDA Morazán has launched a strategic initiative to internationalize the territory's economy, opening a branch of its financial structure *AMC International* in the United States. The first office was established in the State of Maryland and others ones are planned in Washington D.C. and Virginia.

Already in 2000 the LEDA Morazán, seeking strategies for its sustainability and to invest its surplus, decided to create the financial institution AMC. AMC, which contributes to 80% of the sustainability of the LEDA, has 20 national and international founding partners, with 160 employees and 17 branches throughout the country. AMC manages a loan portfolio of \$ 19 million dollars, with 15 000 clients of which 65% are women. In 2005 ADEL Morazán has created the AMC-Honduras (involving the LEDA Valle in Honduras as associated member), which currently has 30 employees, a portfolio of \$ 3.5 million dollars, 3,000 customers and 5 local branches.

Nowadays, AMC International provides financial services to the Salvadorian community in Maryland at the aim of promoting collaborative and commercial networks with Morazán stakeholders. In 2014 the Maryland AMC branch delivered services to 200,000 Salvadorians, collecting \$ 350,000 dollars.

AMC international provides the following main services in Maryland:

- Loans for economic and business initiatives to Salvadorians resident in the United States. The loans range from 1,000 to 10,000 USD.
- Credit to Salvadorians resident in EE.UUs for their investment in El Salvador. The loans range from 10,000 and 80,000 USD and may be used for productive activities, house building or restoring, land purchase.
- Money transfer to Latin America, through various remittance operators

The relationship between AMC branch in Maryland and the Morazán headquarter allows the loans' common management. Guarantees for Salvadorian resident in United States can be provided either by their own assets in EE.UU or by guarantors resident in Morazán and vice versa.



For instance clients resident in United States who want to invest in the Morazán department may assure the investment through collaterals provided in EE.UU, whereas the LEDA supports the investment in El Salvador. At the same time investment in Maryland of Salvadorians of Morazán may be guaranteed either by themselves or by other guarantors resident in EE.UU. This cross-managed system of guarantees and loans multiplies its impact and allows the creation of cross cutting economic initiatives between the two communities people resident aboard and in El Salvador.

The Morazán LEDA also participates to the UNDP JMC Program for further strengthening its initiatives at the benefit of the migrants. In June 2014 the project *Young people tackling their future in 7 municipalities of the department of Morazán through self-employment for the revitalization of the local economy* was launched. It is funded by European Union and Swiss Confederation, administrated by UNDP and executed by the Morazán LEDA. The project objective is realize a survey on the young at risk of migration, and develop their entrepreneurial potential, through organizing and constituting businesses

Furthermore the Morazán Leda finalized an agreement with the [Coordination Committee of Salvadorians in United States](#) COCSA that organizes and coordinates their interests, through 20 municipal committees. COCSA built a Training Center in Morazán that provides capacity building of young people of the department in collaboration with the Morazán LEDA.

The LEDA of the Department of Morazán in El Salvador was established in 1993. It has a significant impact on territorial development from the occupational, social, technological and economic points of view. In the past 10 years the LEDA has executed more than 63 projects, with a total budget of \$ 10 million dollars, generating more than 2,000 new jobs, 250 micro and small business, supporting the growth of 2200 existing enterprises, in cooperation with 25 national and international organizations (IADB, EU, UNOPS, UN WOMEN, UNDP, Ministry of Economy, Technical Secretariat of External Financing, among others). The LEDA has also created an agro-industry company with 200 small dairy producers that contribute to long-term strengthening of associated partners. The LEDA devotes part of their income to social initiatives, such as providing scholarships to 203 local students, to facilitate their university studies and vocational training.

#### To know more and establish contacts

[www.adelmorazan.org](http://www.adelmorazan.org)

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