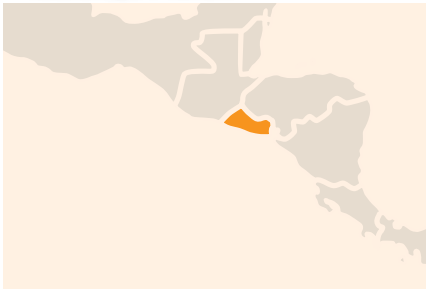


Partner Profile: PADECOM



Photos courtesy of PADECOM



Approximately 80 percent of Salvadorans are reported to live in inadequate housing, often made from poor quality or scrap construction materials.¹ Additionally, 39 percent of households live in overcrowded conditions with three or more people sharing a single room for sleeping, with that figure rising to 53 percent in rural areas.²

Sociedad Cooperativa PADECOMSM CREDITO, R.L. DE C.V. (PADECOM) is a Salvadoran social enterprise and a partner in Global Partnerships' Home Improvement Finance initiative.³

WHO IS SERVED

As of December 31, 2024, PADECOM currently serves nearly 15,000 borrowers in the four eastern departments of El Salvador (out of 14 across the country).⁴ Approximately, 61 percent of their borrowers live in rural areas and 51 percent are women.⁵

WHAT IS DELIVERED

PADECOM provides individual microloans to support home improvement projects. Borrowers can use their loan to expand or remodel their home or to install basic services. They may also use their loan to purchase land and incrementally construct a new home. In addition to receiving a loan tailored to the nature and cost of their project, borrowers also benefit from a pre-disbursement visit by staff and budgeting support to make sure that clients have what they need to complete the project. Staff also conduct a post-disbursement visit to ensure appropriate use of funds.

WHY IT IS IMPACTFUL

Incremental home improvement projects, like those financed by PADECOM, can improve the health, security, and well-being of households living in poverty. Depending on the specific project, borrowers may be able to reduce risks related to health or extreme weather events, decrease exposure to crime and violence (especially toward women and youth), and mitigate negative environmental impacts through more efficient use of energy and water or better waste management.

1. Guevara, Porfirio, and Ronald Arce. "Estado de la Vivienda en Centroamérica." INCAE Business School and Habitat for Humanity, November 2016. http://www.rniu.buap.mx/infoRNIU/ene17/2/estado-vivienda-centroamerica_pguevara-rarce.pdf.
2. "Encuesta de Hogares de Propósitos Múltiples." Banco Central de Reserva, 2022. <https://www.bcr.gob.sv/documental/Inicio/vista/0c0aa5ade233aa9a7345923e9329407a.pdf>
3. PADECOM was a current borrower of Global Partnerships Impact-First Fund 10, LLC and Global Partnerships Impact-First Development Fund, LLC, as of December 31, 2024.
4. Data as of December 31, 2024, as reported by PADECOM.
5. Ibid.

