

OCTOBER 2, 2025

El Salvador employers' legal obligation to guarantee early childhood care services

THE ISSUE

El Salvador's legal framework requires that employers with more than 100 employees provide workers with access to childcare and early childhood services for children under the age of four. However, many employers have yet to implement concrete measures to comply with the law.

BACKGROUND

Article 42 of El Salvador's constitution establishes the need for a secondary law, the Ley Crecer Juntos, to rule the obligation of all employers to install and maintain nurseries and childcare facilities for the children of their workers.² While the initial legal proceedings began in 2017, the law did not go into effect until March of 2025 (the steps taken to bring the constitutional obligation into effect are outlined in the Annex). Despite the seven-year period leading up to the law's entry into force, many employers have yet to meet its requirements. Employee access to workplace-based childcare and early childhood services remains inconsistent, with implementation continuing to present significant challenges.

The Fair Labor Association (FLA) and the <u>Americas Group (AG)</u> have been working during this process to share relevant information on compliance with childcare regulations in El Salvador. In 2018, FLA published an <u>issue brief</u> advising its member companies sourcing from El Salvador to prepare their suppliers to ensure adherence with the legal framework then in force. Similarly, in 2019, the AG conducted a childcare needs assessment involving approximately 600 female workers. The findings offered conclusions and recommendations that remain relevant for companies and employers seeking to align with legal standards.³ More recently in 2025, the AG has conducted a new survey among participating companies to measure factories preparedness for the implementation of the Ley Crecer Juntos.

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The name of this law is the Grow Together Law for the Comprehensive Protection of Early Childhood, Children, and Adolescents or Ley Crecer Juntos para la Protección Integral de la Primera Infancia, Niñez y Adolescencia in El Salvador, went into effect as of 2023. However, the obligation for employers to guarantee access for their workers' children to Early Childhood Care Centers takes effect in March 2025.

² Article 42 of the Constitution of El Salvador establishes that working women have the right to paid leave before and after childbirth, as well as the right to job retention. The law shall regulate the obligation of employers to establish and maintain nurseries and childcare facilities for the children of their workers.

The Americas Group. June 7, 2018. Seeking Solutions to Childcare needs of Maquila Workers in El Salvador.

In response to these concerns, the <u>Organización de Mujeres Salvadoreñas por la Paz</u> (Organization of Salvadoran Women for Peace or ORMUSA), has provided FLA with technical guidance to clarify employers' specific obligations related to childcare in El Salvador. This collaboration supports FLA member companies sourcing from El Salvador by providing recommendations on how to monitor supplier compliance with these legal requirements.

KEY REQUIREMENTS

Suppliers in El Salvador and companies sourcing from El Salvador should consider the following requirements when complying with the implementation of Centros de Atención a la Primera Infancia (Early Childhood Care Centers or CAPI):⁴

- Scope of the legal requirement: All employers from public, autonomous, municipal, and
 private sectors (including the garment and agricultural sectors) with 100 or more workers
 must comply with the law.
- Population served: The law applies to workers' children from the end of maternity leave until the day before they turn four years of age.
- Modality of childcare provided by employer: The employer must select one or more of the
 four modalities established by law (refer to the table in the following section for more
 information) considering families' right to choose their children's education. However,
 employees should adhere to the modality defined by the employer.
- Refusal of the benefit: If a worker opts not to use the childcare benefit, they must submit a
 written statement to their employers. However, this does not exempt the employer from its
 obligation in case the worker later decides to use the benefit.
- Operating hours: The workplace must ensure the CAPI operates a minimum of eight hours per day, Monday through Friday, between 6:00 a.m. and 7:00 p.m., according to the needs and circumstances of the population served.⁵ The law does not regulate operations on Saturdays, Sundays, or public holidays.
- **Inclusion:** CAPIs must be prepared to serve children with disabilities or specific educational support needs.
- Regulatory bodies: Both the Consejo Nacional de la Primera Infancia, Niñez y Adolencia
 (National Council for Early Childhood, Children, and Adolescents or CONAPINA) and the
 Instituto Crecer Juntos (Growing Together Institute or ICJ) are responsible for authorizing
 and verifying the operation of CAPIs.⁶
- **Authorization:** A CAPI's authorization is valid for three years. A temporary permit may be granted for one year to allow time for meeting all legal requirements.⁷

As defined in Article 134 of the Ley Crecer Juntos, these are facilities established for the implementation of the comprehensive early childhood care model, aimed at strengthening the physical, cognitive, emotional, and social development of children.

⁵ As defined by Article 12 of the Technical Standards for the Installation and Operation of Early Childhood Care Centers (CAPIs).

⁶ According to Article 3 of the Technical Standards for the Installation and Operation of Early Childhood Care Centers (CAPIs).

According to Articles 6 and 6-A of the Technical Standards for the Installation and Operation of Early Childhood Care Centers (CAPIs).

• Tax incentive: Employers may deduct expenses related to the establishment, maintenance, and operation of CAPIs from their taxable income.

MODALITIES FOR FULFILLING EARLY CHILDHOOD CARE REQUIREMENTS

Currently, there are **four** options available for employers to comply with the regulations set forth in the Ley Crecer Juntos regarding the establishment of CAPIs. Employers may choose one or more of these options:⁸

Option	Responsible party for	Main opportunities	Challenges or considerations
	managing the CAPI		
Install an owned CAPI ⁹	The employer is responsible (administrative services can be subcontracted).	 Offers full control of service quality and schedule. Enhances the employer's commitment for corporate social responsibility. 	 Requires initial investment and physical space. Involves greater administrative burden and regulatory compliance.
Join a shared CAPI ¹⁰	Several partner employers may jointly establish a CAPI.	 Reduces costs by sharing investment and maintenance expenses. Promotes collaboration between employers within the same municipality. 	 Requires effective coordination among employers. Creates possible difference in standards and levels of commitment.
Use an approved external service ¹¹	An employer may hire a specialized service provider to operate an officially authorized CAPI.	 Offers rapid implementation. Leverages the existing experience and structure of the service provider. 	 There may be a limited number of existing approved CAPIs available in the communities where workers live. Limits the employer's control over services. Creates a need to ensure quality, availability, and distance from the workplace or worker's residence.

⁸ According to Article 137 of the Ley Creer Juntos.

 $^{^{9}}$ Establish and maintain a CAPI in a separate facility located within the same district as the workplace.

Partner with other employers to establish and maintain shared centers in the same municipality where the workplaces are located.

Hire services of a duly authorized CAPI located in the same geographic area as the workplace or the worker's residence.

Option	Responsible party for managing the CAPI	Main opportunities	Challenges or considerations
Pay the average cost of childcare to workers ¹²	Employers make payments directly to workers. ¹³	 Provides greater flexibility for families. Eliminates need to for the employer to manage the CAPI. 	 Requires verification of effective use and quality of the service, which may be difficult. Presents area-based limitations: childcare options may not be available in all geographic areas.

FLA RECOMMENDATIONS

Any employer in El Salvador who fails to comply with the legal requirement to provide access to childcare centers for its workers' children under the age of four may face penalties. The fines are calculated by multiplying the current minimum wage by the number of payments determined by the authority, ranging from a sum equivalent of 50 up to 100 monthly minimum wages, depending on the sector. In addition, they may be subject to inspections by the Ministry of Labor or the Crecer Juntos Institute.

FLA member companies are also responsible for monitoring and ensuring compliance with these legal regulations throughout their supply chains in El Salvador.

FLA recommends that member companies work with their suppliers to comply with the following:

1. Establish clear policies and procedures for implementing this benefit among their workers.

Factories should develop a policy and procedure to properly implement this benefit, including processes to:

- a) Ensure access to early childhood care services for eligible workers (establishing criteria);¹⁴
- b) Directly consult with workers on their preferred childcare modality according to their family circumstances before deciding which CAPI modality to implement;
- c) Select the modality or modalities that best meets the needs of their workers and their children. Employers may implement more than one modality if it better suits workers' needs;
- d) Keep ongoing records of workers eligible for this legal benefit and consult with them regarding the modality that best suits their needs;

Provide the worker with an amount equivalent to the average cost of services at an authorized CAPI, selected by the employee.

The payment modality was recently established by a legislative reform on January 3, 2025. **CONAPINA** estimates an average cost to be an annual enrollment fee of \$76.52 and a monthly fee of \$159.20 per child, although this amount may vary over time.

For example, data should be gathered on the ages of workers' children, family residence locations, transportation availability, children's special care needs, and current childcare arrangements used by workers.

- e) Monitor the services provided by the early childhood care center, ensuring no discrimination or barriers limit service use due to gender, marital status, family condition, or other factors;
- f) Establish communication channels for employees to provide feedback on the quality of childcare services received by their children; and
- g) Assign management team members responsible for verifying the CAPI's compliance with legal requirements. A best practice is to strengthen human resources teams with additional personnel dedicated to this area.

2. Effectively communicate this benefit to workers.

Implementation of this law may face challenges as a result of social and cultural expectations and concerns about early childhood care. Therefore, it is crucial for factories to communicate and disseminate information regarding the importance and benefits of early childcare to encourage workers to use the benefit. Factories should seek appropriate internal communication methods to ensure all workers are well-informed. Special attention should be given to workers facing greater vulnerabilities, such as pregnant workers, parents of children with disabilities or special educational needs, and single parents.

3. Avoid persuading, intimidating, or coercing workers to refrain from using early childhood care services.

This benefit is an inalienable right of workers and employers have a legal obligation to comply with the law. Implementation must be effective despite any associated costs. Factories must refrain from any practices aimed at limiting or obstructing workers' use of this benefit, including disciplinary sanctions related to access or continuation of the benefit.

4. Coordinate and consult with key stakeholders to facilitate compliance with this benefit.

Factories should engage in consultations and seek agreements with key local or national actors to effectively implement this new obligation. In unionized workplaces, consultations must include worker representatives. When applicable, FLA recommends that companies coordinate with representatives of industrial parks, establish contacts with municipal authorities, and seek support from business associations or the private sector.

ORMUSA recommends that beyond the legal obligation for employers to comply with the law, factories should also promote actions that support a balance between work and family life, as well as shared responsibility in childcare. Therefore, the promotion of this benefit should be directed equally to all staff, regardless of gender.

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ANNEX

This timeline outlines the steps that were taken to bring the constitutional obligation into effect:

November 2017:

As a result of a writ of amparo (amparo constitutional) field before the El Salvador Supreme Court of Justice, the Legislative Assembly enacted the secondary law required by Article 42 of El Salvador's Constitution.

May 31, 2018:

The Legislative Assembly ratified the <u>Ley Especial para la Regulación e Instalación de Salas Cunas</u> (Special Law for the Regulation and Establishment of Workplace Childcare Center), which will come into force 24 months after its publication in the Official Gazette.

2018-2022:

A series of extensions delayed the implementation of the 2018 law, which was ultimately repealed in 2022 and replaced by the Ley Crecer Juntos para la Protección Integral de la Primera Infancia, Niñez y Adolescencia, commonly known as the Ley Crecer Juntos.

June 22, 2022:

The Legislative Assembly enacted the Ley Crecer Juntos.

January 1, 2023:

The Ley Crecer Juntos officially entered into force, regulating the Centros de Atención a la Primera Infancia (Early Childhood Care Centers or CAPI).

February 23, 2023:

The regulations and technical standards for setting up and operating the CAPIs came into force, namely the Reglamento para instalación, funcionamiento y supervisión de Centros de Atención a Primera Infancia (Regulation for the Installation, Operation, and Supervision of Early Childhood Care Centers) and the Norma Técnica para la Instalación y Funcionamiento de Centros de Atención a la Primera Infancia (Technical Standards for the Installation and Operation of Early Childhood Care Centers).

January 3, 2024:

The Legislative Assembly granted a 24-month extension, starting February 2023, for private sector employers to comply with the obligation to provide access to a CAPI, as established under the Ley Crecer Juntos.

March 1, 2025:

The extension period ends. From this date forward, private employers with over 100 employees are required to ensure access to CAPI for workers' children, in accordance with Article 136 of the Ley Crecer Juntos.¹⁵

Article 136 of the Ley Crecer Juntos determines that it is the responsibility of employers to ensure that all their workers' children have access to a CAPI. This obligation applies to employers with 100 or more workers in the private sector, public sector, and autonomous institutions—including the Salvadoran Social Security Institute (ISSS), the Executive Hydroelectric Commission of the Lempa River (CEL), and municipalities. No employer, public institution, or municipality may invoke the existence of a special regime to avoid compliance with these provisions, unless such regime offers benefits that exceed those established by this Law.

FLA CODE ELEMENTS

COMPENSATION BENCHMARKS

C.1 Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.

C.21.1 Employers shall provide all legally mandated fringe benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.

NON-DISCRIMINATION

ND. 2.1 All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

ND.2.2 Employment decisions shall not be made on the basis of gender, race, religion, age, sexual orientation, nationality, political opinion, social group, ethnic origin, marital status, or union affiliation or sympathy.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

HSE. 27.1 and HSE. 20 (Agriculture) Childcare facilities shall not physically overlap with production areas and children shall not have access to production areas

HSE.27.2 Children under the minimum working age shall not be allowed in workplace areas at any time, unless they are part of a guided school tour or other such unusual event.

HSE.27.3 All childcare workers must be fully trained and licensed to provide the level of care necessary at the factory. Where local legal requirements are missing, childcare workers must have at least some vocational training for childcare.

HSE.27.4 Childcare facility hours must match the working hours of the factory shift schedule, following any regulations provided by local law

ABOUT THE FAIR LABOR ASSOCIATION

The Fair Labor Association (FLA) promotes human rights at work. We are an international network of companies, universities, and civil society organizations collaborating to ensure that millions of people working at the world's factories and farms are paid fairly and protected from risks to their health, safety, and well-being.