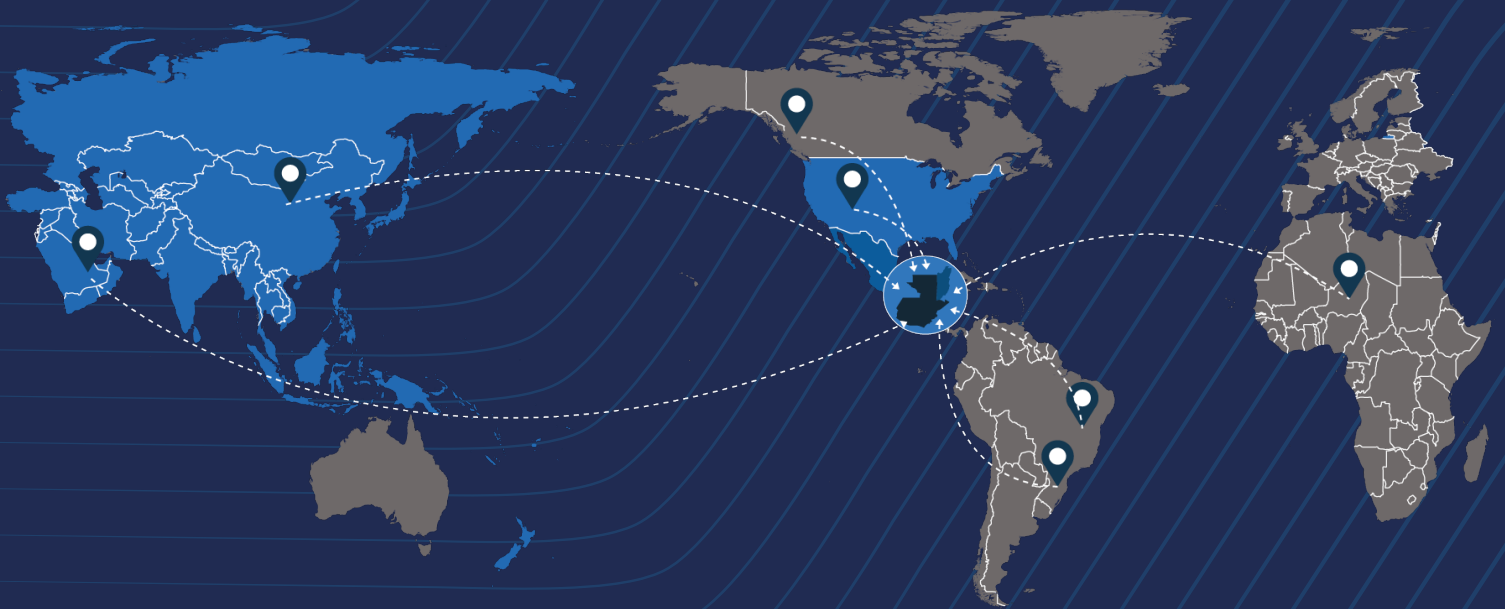


FOREIGN DIRECT INVESTMENT (FDI) ATTRACTION

NATIONAL STRATEGY



Ministry of
Economy



Ministry of
Economy

FOREIGN DIRECT
INVESTMENT (FDI)
ATTRACTION

NATIONAL STRATEGY

GUATEMALA, 2024

FOREIGN DIRECT INVESTMENT (FDI) ATTRACTION

NATIONAL STRATEGY

Guatemalan citizens

It is a great pleasure for me to present the Foreign Direct Investment (FDI) Attraction / National Strategy. This document reflects our commitment to a future focused on human development, the creation of quality employment and environmentally responsible investment. Our Strategy is not just a plan; it is a shared vision for the well-being and prosperity of all Guatemalans. We want to create an environment where foreign investors find the most favorable business conditions that benefit them and Guatemalans; and drive sustainable development, bringing capital, knowledge and technologies to improve our productivity and competitiveness.

Through this Strategy, we seek to integrate Guatemala in global supply chains, leveraging nearshoring and global commitments to environmental sustainability. We defined strategic objectives, key sectors and markets, and implementation mechanisms to achieve our goals effectively and in coordination. We envision attracting high-impact investment that boosts competitiveness and promotes economic, social and environmental sustainable development. We will focus on strategic sectors and specific markets, fostering decent work and well-paid jobs, while advancing our environmental goals.

This document highlights the importance of inter-institutional coordination. Collaboration between the public and private sectors is essential to consolidate Guatemala as an attractive investment destination. We

have defined a framework for this coordination, with goals, milestones and the resources needed to successfully implement the Strategy.

The Foreign Direct Investment (FDI) Attraction / National Strategy is a key tool that will translate our vision of progress into tangible results for all Guatemalans. We are leading the country towards a path of well-being, economic growth and prosperity; and this Strategy is a firm step in that direction.

Thank you to all who have contributed to this important plan. Together, we are creating a bright future for Guatemala.



Bernardo Arévalo

President of the Republic of Guatemala

FOREIGN DIRECT INVESTMENT (FDI) ATTRACTION

NATIONAL STRATEGY

Cutting-edge, sustainable and inclusive investments for economic growth in Guatemala

The Ministry of Economy presents the Foreign Direct Investment (FDI) Attraction / National Strategy, as our guide to follow during the period 2024-2027, to fulfill our role of promoting the country's economic activity and new opportunities for Guatemalans.

The Strategy will guide our efforts to promote Guatemala as an investment destination, to move towards economic transformation driven by innovative, sustainable investments that create quality employment.

We recognize that FDI has a positive impact on the country's economy, increases productivity and competitiveness of local economies, promotes competition and contributes to economic growth.

We have identified key markets and sectors and have prioritized those with a high impact on prosperity for all. We focus on cutting-edge sectors with the potential to create opportunities to connect small and medium-sized companies to supply chains for complementary services and goods. In addition, we are committed to sustainable investment compliant with environmental regulations to meet high standards for environmental and society's protection.

We reaffirm our commitment to the administration of President Bernardo Arévalo and Vice President Karin

Herrera to coordinate public-private efforts to create conditions that consolidate Guatemala, not only as a destination for foreign investment, but also to improve national investment.

We invite you to learn about our Investment Strategy and to join this country-wide effort to contribute to the development and improvement of the quality of life of Guatemalans.



Gabriela García

Minister of Economy of Guatemala



FOREIGN DIRECT
INVESTMENT (FDI)
ATTRACTION

NATIONAL STRATEGY



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Economy



INTRODUCTION

The Ministry of Economy presents the Foreign Direct Investment (FDI) Attraction / National Strategy within the framework of the General Government Policy (2024 – 2028), as a vehicle to achieve the country's social and economic development, through the economic drive of investments in productive activities that create sustainable value and employment for Guatemalans.

The Guatemalan Government aims to promote knowledge and technology transfer, innovation and management systems through this Strategy, to enhance productivity and competitiveness, improve the business climate, and access new markets to connect the country to global supply chains while opening opportunities for local supply chains. To achieve this, the country must take advantage of global foreign investment dynamics, opportunities brought by nearshoring¹, national and global commitments; and demands around climate change and environmental sustainability.

The Strategy defines a conceptual framework for foreign direct investment, describes the international context and the global dynamics of FDI, and presents the national context in which foreign direct investment has been established in Guatemala, its evolution and its contributions to the Gross Domestic Product (GDP). In addition, it focuses efforts to develop and continue proactive² investment attraction in specific sectors and markets to promote the country's growing and diversified exportable supply, leveraging on the access to markets provided by the trade agreements that Guatemala has signed.

Attracting high-impact FDI to improve the country's competitiveness and environmental sustainability requires inter-institutional coordination by the public and private sectors to consolidate Guatemala as an attractive investment destination. To this end, the Strategy contains an initial coordination framework. It also defines the scope, goals and initial implementation milestones, as well as the resources needed to achieve it.

¹ Nearshoring refers to a company relocating its trade or productive processes to countries that are closer to their major market, which leads to lower costs.

² Proactive investment attraction refers to the continuous search for and direct contact with potential investors, through sectoral strategies based on market demand.

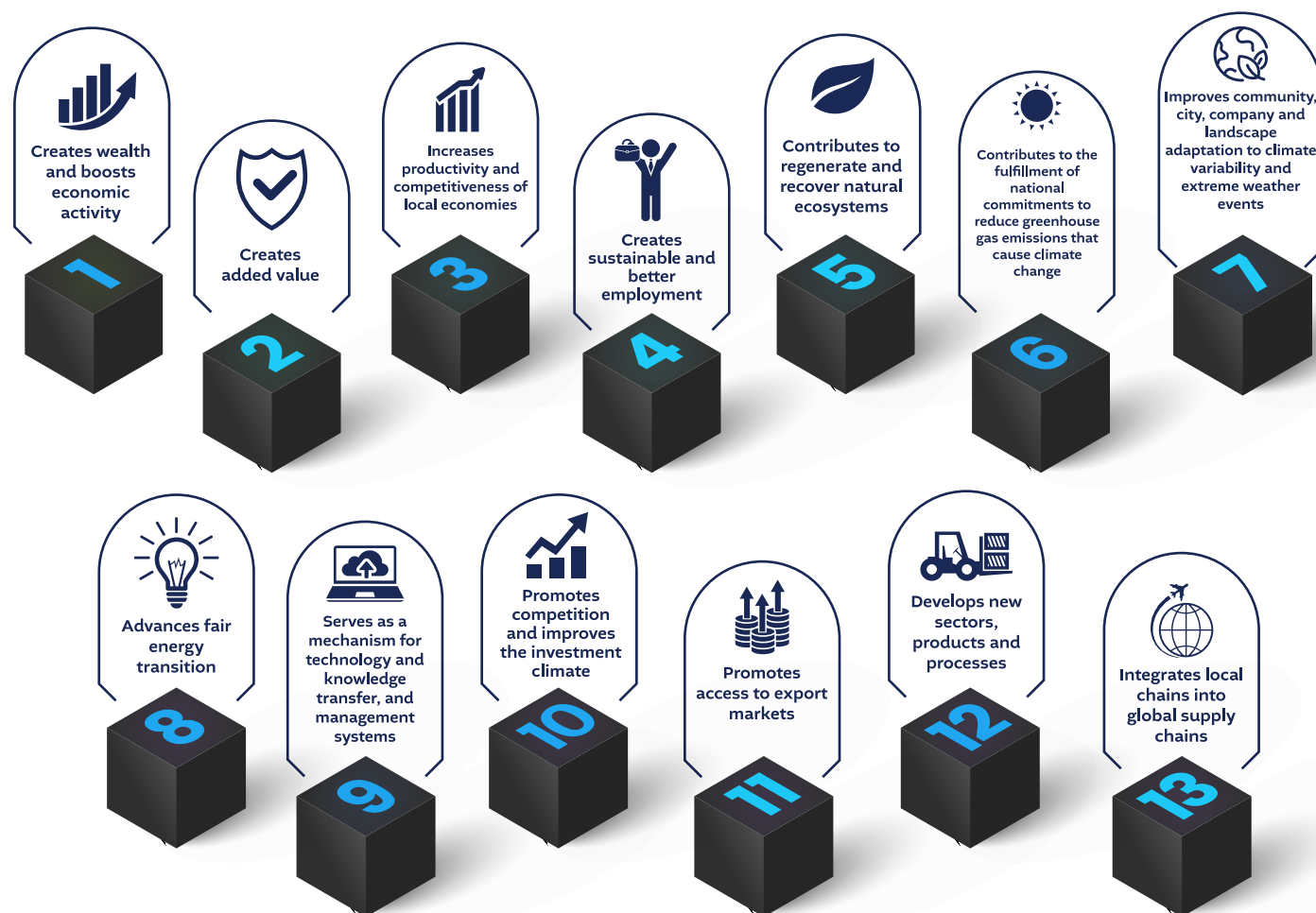
A blue-tinted photograph of a beverage production line. In the foreground, several yellow plastic bottles with green caps are moving along a conveyor belt. The background shows a complex industrial machine with various pipes, valves, and structural elements, all bathed in a cool blue light. The overall scene conveys a sense of modern, automated manufacturing.

**The most
recognized FDI
benefits**

1. Conceptual definitions and the importance of Foreign Direct Investment

Foreign Direct Investment (FDI) is the net/positive flow³ of investment for long-term management control by a company in a country other than the country of origin of the investing company⁴. These investments can occur through new projects (greenfield investments), mergers and acquisitions (brownfield investments) or portfolio investments and joint venture investments. Additionally, reinvestments by foreign companies that already operate in the country are also FDI. Investments in new facilities create new productive capacity and therefore have a greater impact on the host country or territory.

FDI has positive impacts on the host country's economy. For that reason, countries, regions and cities design investment attraction policies, invest in improving their business climate and sustainable competitiveness conditions; compete and invest in human and financial resources, regulations and incentives. Some well recognized FDI benefits include:



³ Net flows refer to the discounting of capital repatriations.

⁴ Bangwat defines FDI as the inflow of foreign currency in the form of international investment that reflects the foreign entity's objective of obtaining a lasting participation in a national company or in a foreign company residing in the country's economy.

2. International context of FDI flows

According to the most recent information published by the World Bank, \$29.96 trillion in Foreign Direct Investment (FDI) has been reported worldwide over the last 15 years, of which the Latin American and Caribbean region has captured 11.93%, or the equivalent of \$3.58 trillion. Now, the last year for which information is available (2022), shows \$1.76 trillion in FDI reported worldwide, of which Latin America and the Caribbean captured 15.23%, or the equivalent of \$0.27 trillion. In the context of the volume of production (i.e., Gross Domestic Product, GDP), Foreign Direct Investment (FDI) accumulated in the last 15 years represented 2.52% of world GDP (1.74% of GDP in 2022), while in Latin America and the Caribbean FDI represented 4.25% of GDP (4.25% of GDP in 2022) in the same period.

However, we can narrow down the analysis to the Latin American and Caribbean region to observe the size of investments in these countries. Leaving Brazil aside, with \$1.04 trillion in accumulated FDI from 2008 to date (29% of the total in the region) and \$75 billion in the most recent year available, the most significant case for analysis is Mexico, not only because of the volume of registered FDI (\$480 billion, 13.48% of the total in the region), but also because of the rapid growth it has had in recent years considering the size of its economy (CAGR: 1.97% in the last 15 years, and 11.37% between 2020 and 2022).

After Mexico, another interesting case to analyze is Colombia, which attracted \$190 billion in FDI in the last 15 years (5.20% of the total for the region) and \$17.182 billion in the last year for which information is available. The relevance of Colombia is that the amount of FDI is equivalent to the countries that make up SICA combined (Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama and the Dominican Republic). FDI from these eight countries from 2008 to date is \$180 billion (5.06% of the total for the region). In relation to the size of the economies, FDI has been 2.62% of GDP for Mexico, 3.95% of GDP for Colombia, and 4.06% of GDP of the SICA countries.

In the two cases analyzed, Colombia's performance is notable, higher than Mexico's, largely due to FDI flow decline in almost all countries in 2020, except for Mexico. Colombia's growth over the last 15 years has been 3.54% annually, and 51.78% after the COVID-19 pandemic, while in the eight SICA countries, growth since 2008 has been 1.75% annually, climbing to 78.96% annually after 2020 (from \$4.455 billion in 2020 to \$14.267 billion in 2022).

What drives the change in growth patterns and the additional volume of Foreign Direct Investment that countries in the region are receiving? According to information released by the firm McKinsey in support of the "Guatemala Moving Forward" plan, there are three factors that can explain these recent changes: (1) changes in global trade patterns, especially the relocation of companies that had operations in Asia, (2) integration of several countries in the region into supply chains of much more sophisticated manufacturing industries, and (3) the nearshoring policy promoted by the United States Government favoring capital transfers to the region.

Understanding these recent global and regional trends sets the stage to forecast a scenario with greater opportunities to attract foreign investment to Guatemala, not only due to the set of characteristics that make the country attractive to potential investors who identify opportunities to operate here and meet U.S. market demands, and other relevant actors in the global economy, but also due to the opportunity to link up with supply and service chains on a regional scale.

International context of FDI flows

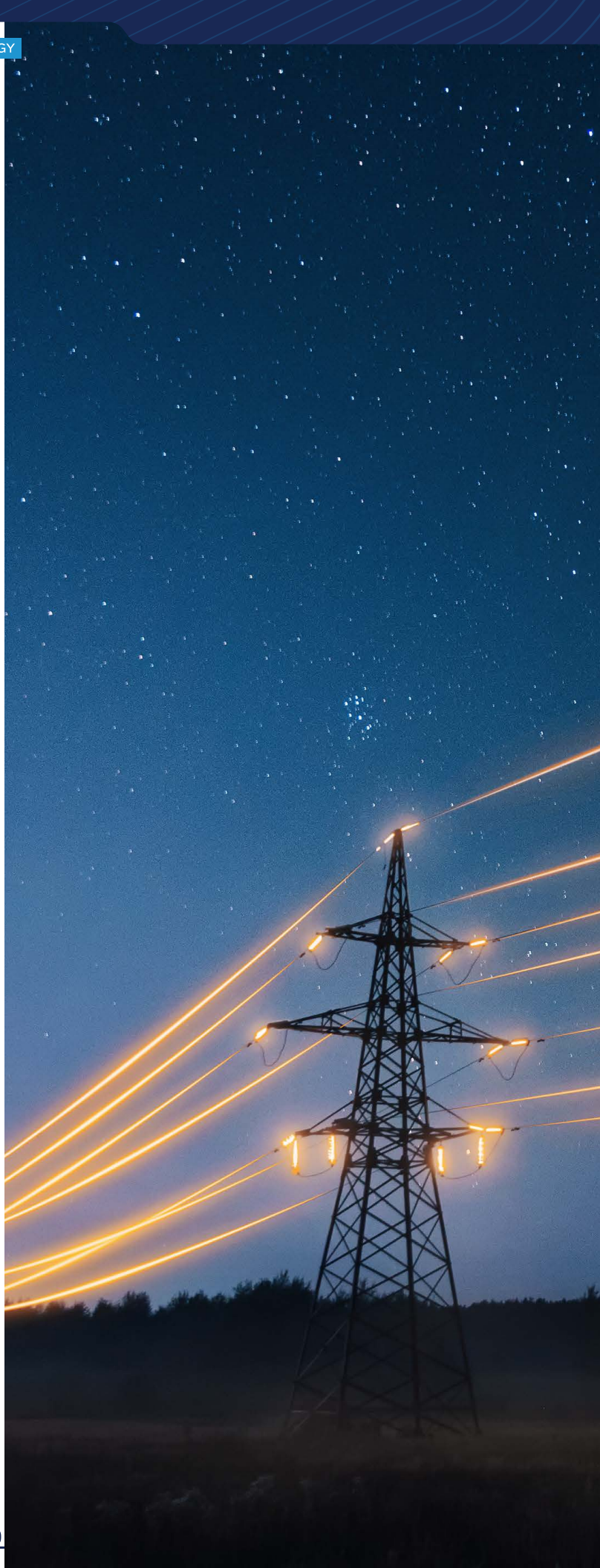


3. National context of FDI flows

The recent history of Foreign Direct Investment (FDI) attraction in Guatemala can be divided into three moments. In the period from 2008 to 2014, Guatemala increasingly attracted investment, growing from \$737.6 million in 2008 and \$522.3 million in 2009, to \$1.4793 billion in 2012 and \$1.4424 billion in 2014 (BANGUAT). These figures show an annual growth of 11.83% for this period. After this stage, between 2015 and 2019, the country went from \$1.2309 billion in FDI to \$976.1 million respectively, an annual decrease of 7.51% during that period. Finally, considering that 2020's FDI dropped to \$934.9 million, the last three years show a marked change trend, reaching \$1.5523 billion in 2023, the highest in 15 years, with a growth between 2020 and 2023 of 18.41% annually. (The investment in shares in 2021 of approximately \$2.2 billion by Millicom is not included in the analysis).

As a component of the economy, FDI in 2023 was 1.48% of GDP and, cumulatively, between 2008 and 2023, FDI was 1.94% of Guatemala's GDP each year. The historical series analyzed shows relatively little variation in FDI as a percentage of GDP, which is explained by the relative stability of the sectors and countries that invest in Guatemala.

Between 2008 and 2023, five sectors account for more than 85% of FDI in the country, namely, Financial and Insurance Activities (18.85%), Wholesale and Retail Trade, Motor Vehicle Repair (18.32%); Information and Communications (18.08%), Manufacturing (15.64%), and Electricity, Water and Sanitation Supply (14.16%). However, a review of trends from 2020 to date highlights three sectors: (1) Financial and Insurance Activities, representing 29.88% of FDI in 2023, with an annual growth of 10.77% in the last three years, (2) Wholesale and Retail Trade, Motor Vehicle Repair, representing 20.53% of FDI in 2023, with an annual growth of 29.45% in the same period, and (3) Manufacturing, representing



19.54% of FDI in 2023, with an annual growth of 8.04% in the same years.

Seen from the perspective of the countries that bring investment to Guatemala, the last 15 years show 13.60% of FDI coming from Central America and the Dominican Republic, with Panama standing out notably (7.45% of the total), and 86.40% of FDI coming from the rest of the world, most particularly from countries such as the United States (18.85%), Colombia (10.53%) and Mexico (10.33%). Now, from 2020 to date this trend has been gradually reversing, an example being the FDI distribution by country in 2023, with 43.72% of FDI coming from Central America and the Dominican Republic, and 56.28% coming from the rest of the world, with the United States (15.35%) and Mexico (14.90%) as the most relevant countries.

This new strategic approach to promoting foreign investment has identified areas of opportunity and defined a roadmap based on information rigorously and professionally generated, with technical support to guide market and sector prioritization work. This planning and execution scheme has even led to the creation of investor service protocols, the ability to delve deeper into existing information at national and subnational levels, and the possibility of providing aftercare services.

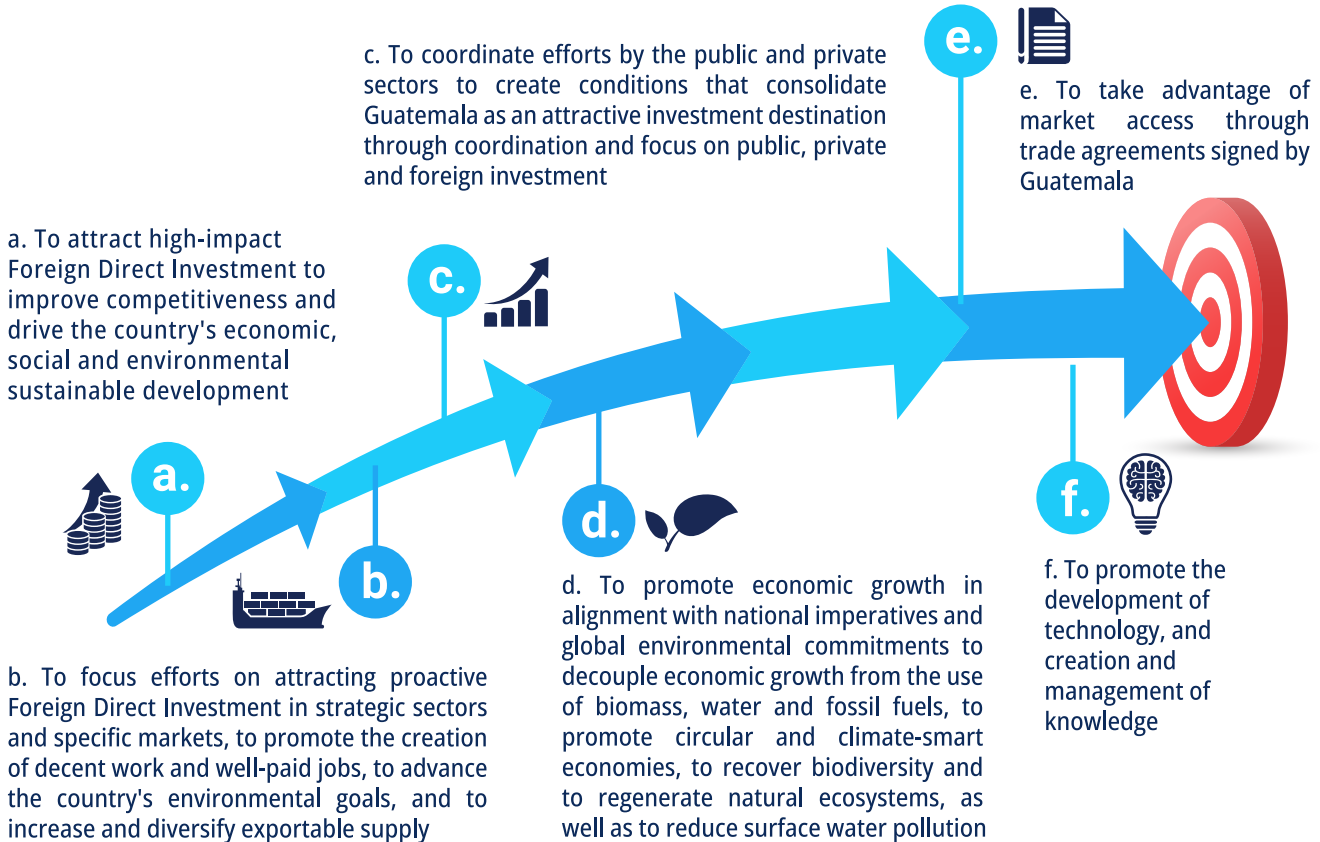
An important component to address the interests of foreign businesses investing in the country is to make specialized services available during the setting up of business (soft landing) to streamline the legal and administrative processes that foreign companies need to follow to set up business and operate in the country. The government has in place a program to make procedures more transparent and agile through digitization⁵.

The Government of Guatemala has prioritized new investment attraction into the country in its General Government Policy 2024-2028, by combining the potential of some avant-garde sectors in global trade with the opportunity to connect small and medium-sized companies with the supply chains of specialized services and complementary goods.

⁵ Currently in force is Decree number 5-2021, Law to Simplify Administrative Requirements and Procedures, whose purpose is to modernize administrative management by means of the simplification, streamlining and digitization of administrative procedures, using information and communication technologies to facilitate interaction between individual or legal entities and State institutions. This law applies to all administrative procedures managed by the institutions of the Executive Branch.

4. National FDI Service Strategy

4.1 Strategic Objectives



4.2 Scope

Implementation of the Foreign Direct Investment (FDI) Attraction / National Strategy covers the period 2024-2027, during which it proposes to channel the country's efforts to attract FDI proactively in the short term, directing it to markets and economic sectors with the greatest potential to achieve the expected results. The Strategy also defines other economic activities for the medium and long terms, for which the country must prepare and build competitive conditions that make it an attractive destination for foreign investment in more sophisticated sectors.

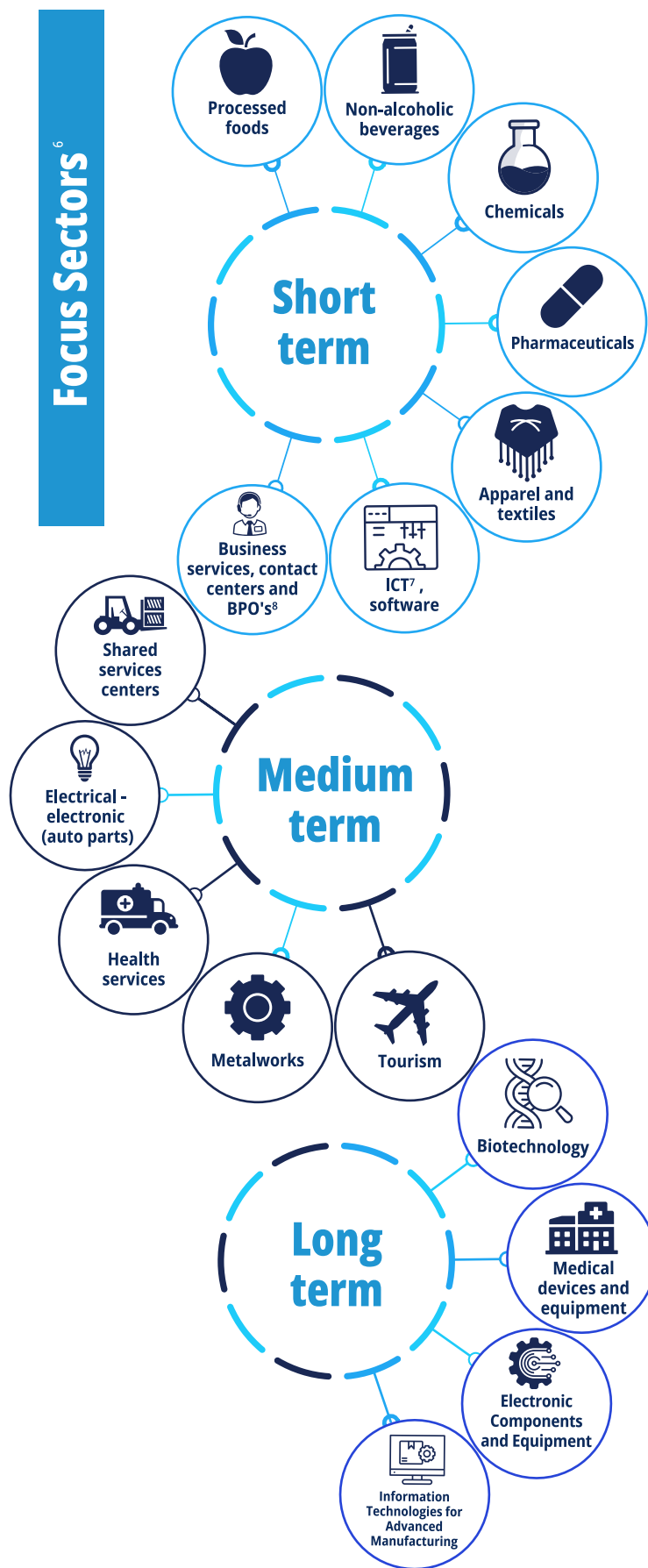
4.3 Definition of target sectors and markets

One of the main goals of the Strategy is to increase FDI flows into the country to promote sustainable economic, social and environmental dynamism and growth, with specialized human talent, employment creation and exports promotion. Considering that "...foreign investment and economic growth have a relationship of long-term equilibrium, especially in developing countries, governments consider FDI an essential source of capital for job creation. It has been found that, under certain conditions, FDI can generate

positive effects on exports.” (Caro-Vargas & Restrepo, 2022), which is why it is relevant for the Strategy to focus efforts on achieving these objectives.

It is important to remain aware of the international context of FDI, where competition to attract investors to countries is increasingly innovative and focused. This requires recognition that this competition involves not only countries in similar conditions to Guatemala, but countries with extensive experience that have therefore developed stable and competitive institutional frameworks. Guatemala faces an important challenge which requires a strategy that focuses on target markets and sectors to concentrate proactive promotion actions and thus achieve results in the short and medium terms. The Strategy prioritizes the analysis of proposed sectors for attracting investment in the short term and, as it develops, the Ministry of Economy will expand the analysis to economic activities proposed for investment attraction in the medium and long terms.

This does not imply that the country should stop considering opportunities from other markets and sectors interested in investing in Guatemala. The Strategy proposes sectors for proactive investment attraction in the short term. It also considers other sectors in the medium and long terms, as a next stage for attracting FDI, since they require additional efforts from the country to create conditions to become an investment destination in more sophisticated sectors. These sectors require infrastructure, trained human talent and instruments such as incentives (fiscal and non-fiscal) to develop competitive productive activities in the international context. The focus sectors of the Strategy’ are:



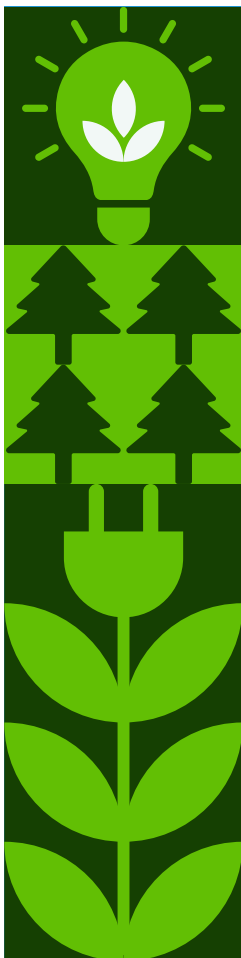
⁶ There are other sectors that will be studied to develop their potential to attract investors, in line with a vision of a climate-smart and regenerative economy. These include the forestry industry and its derivatives, integrated and circular solid waste management, renewable energies, sustainable and regenerative agriculture, and livestock.

⁷ Information and communication technologies.

⁸ Business Process outsourcing.

To analyze and prioritize these sectors, elements such as the history of foreign direct investment in Guatemala and the development of each sector in the country, as well as the jobs and wages they generate were considered. This consolidates and updates these sectors that were previously prioritized by the country and already experience trade and foreign investment dynamics.

Environmental Factors



In addition to these elements, the Strategy considers environmental and sustainability aspects, which will be prioritized in work done jointly with the Ministry of Environment and Natural Resources (MARN). Based on the impacts of economic activities, those that cause the lowest environmental impacts and are compliant with environmental regulations will be prioritized. A specific list of industrial activities will promote investment with clear environmental and society protection policies and standards, such as: emphasis on cleaner production, energy efficiency and use of renewable energy, proper management of solid and liquid waste, abidance by international environmental standards, among others to be defined through inter-institutional coordination with MARN, the environment's governing authority.



Experience in investment services shows that it is common for investors to initially consider countries with which they already have a trade or investment relationship and/or where benchmarks of their industry or their country are operating. Consequently, in the short term, the Strategy focuses on markets with which Guatemala already has a history of investment and trade relationship to leverage on it and attract more investment from those countries.

Investment flows showing growth and interest in the Central and North American markets were also considered. The country's strategic position provides a production and logistics platform for these markets. It takes advantage of the global context of FDI flows, of nearshoring, and of maritime route disruption caused by conflicts in ship passage channels to respond to global supply chain interruptions occurring after COVID-19 and to address the need for speed to market.

Factors considered to analyze and prioritize markets were general trade data (import and export), the history of investments in Guatemala in recent years, the availability of trade and investment instruments, such as free trade agreements between countries or reciprocal investment protection agreements, as well as the percentage of exports' growth from those countries to the main target markets of foreign investment coming to the country, the domestic Guatemalan market, the Central American market, the Mexican market and mainly the United States market. The markets on which the Strategy focuses on are:

Focus markets by region

America	Europe	Asia
<ul style="list-style-type: none"> • United States • Mexico • Central America • Chile • Colombia 	<ul style="list-style-type: none"> • Netherlands • Spain • Germany • United Kingdom 	<ul style="list-style-type: none"> • Taiwan • India • South Korea • Japan



4.4 Investment Intelligence

When making the decision to invest in a country, an investor considers elements such as the general conditions offered by the country, its competitive and comparative advantages, as well as costs and time incentives in place to establish and start operations. This involves working to provide information and to persuade foreign investors. Investment intelligence is critical for investors to decide to bring investment to the country and is the first specialized service provided, which extends throughout the entire investment attraction process.

The investment attraction process is divided into 4 stages: **prospecting, project maturation, soft-landing, and reinvestment**. This process follows a progression that starts with the investors' initial requirement for information on the country's general operating conditions. Next, investors require information on their economic activity, and finally, they request very specific information for their business model. Specialized human talent and tools are required to deliver this information with the quality and timeliness expected by investors, who are also evaluating other investment destinations.

Setting up an investment intelligence system involves four key Strategic considerations:

a.



Strengthening the Inter-institutional Technical Group (ITG)⁹: to continue coordinating efforts and partnerships to produce unified information with public, private and academic participation

b.



Building specialized human talent capacity: with knowledge of FDI's international and national dynamics to manage and analyze data that improves the investment attraction Strategy and provides valuable information for promotion teams and for investor 's decision-making

c.



Ensuring access to specialized information tools: the agility and precision that the country builds to provide specialized information in alignment with investor interests provides certainty for their decisions. This is achieved by developing and accessing national FDI statistics and by acquiring specialized electronic and online platforms that provide information on the international and sectoral context, on investment projects and on contact platforms

d.



Analyzing specialized information provided by strategic partners for attracting FDI, both from the public and private sectors, including the Network of Commercial Advisors of the Ministry of Foreign Affairs and business chambers and associations.

⁹ The ITG involves the public and private sectors and international cooperation linked to intelligence tasks to attract FDI. Currently (2024) the following agencies participate: Ministry of Economy, Ministry of Foreign Affairs, Municipality of Guatemala, Chamber of Industry, Agexport, Private Investment Agency, VESTEX and CEO/USAID Project.

4.5 Specialized Services

Proactive investment promotion service, understood as the continuous search for potential investor leads through market-based sector strategies.



a.

Digital government: Single Investment Window (VUI), Single Business Formalization Window (VUFE), Agile Window for Construction (VAC), One-stop Shop for Exports (VUPE in Spanish), One-stop Shop for Imports (VAI), Single Foreign Trade Window (VUCE).



b.

High-value information to address investor needs, for decision-making and development of the investment project.



c.

Highly professional advice capable of providing quick responses, specialized by the productive sector.



d.

Preparing work agendas with key actors in the public and private sectors to gain better understanding of the ecosystem and business climate.



e.

Personal support in each stage of the investment attraction and establishment process.



f.

Soft landing services: to support and facilitate both governmental and private procedures, as well as support for foreign personnel settlement in the country.



g.

Aftercare services to support the consolidation of foreign investment already established in the country.



h.

This will speed up investment decision-making timeframes and project materialization, will reduce transaction costs through key information and stakeholder coordination, and will minimize the perception of risk through permanent support.

4.6 Special regimes

Special regimes are a fundamental part of the incentive package offered to investors with export-based business models.

Benefits	Law to Promote and Develop Export and Maquila Activities (Decree 29-89)	Free Trade Zone Act (Decree 65-89)	Special Public Economic Development Zone -ZDEEP- (Decree 22-73)
Income Tax (ISR)	10-year exemption for specific activities)	10-year exemption	10-year exemption
Added Value Tax (VAT) and Import Tariff on raw materials or finished products	Payment suspended for 1 year	Exempted	Exempted
Added Value Tax (VAT) and Import Tariff on machinery	Exempted for 10 years	Exempted	Exempted
Local Sale	Import Tariff and VAT Payment (Not exempted from Income Tax)	Import Tariff and VAT Payment (Not exempted from Income Tax)	Import Tariff and VAT Payment (Not exempted from Income Tax)

5. Strategy Implementation

5.1 Goals

The Ministry of Economy created an agency to attract investments to Guatemala, working hand in hand with central and municipal government entities and the business sector with shared objectives. It is therefore reasonable to set a conservative goal of annual FDI growth based on the average rate of the last 15 years, which is slightly over 5% per year (CAGR from 2008 to 2023).

From this baseline, Foreign Direct Investment in 2024 should exceed **\$1.6 billion**, with the expectation that by the end of 2027, FDI may be projected to come as close as possible to \$1.9 billion. However, it is important to accompany this general goal with a portfolio of potential investors, which should remain at around \$700 to \$800 million in leads. A significant part of the total FDI may then be attributed to the proactive Strategy by the team responsible for promoting investment attraction. As investments become certain, the Ministry of Economy will be able to progressively claim success of a larger percentage of total investments coming to the country, from **10% in 2024 (\$160 million)**, to **20% in 2025 (\$345 million)**, to **30% in 2026 (\$540 million)**, and to **40% in 2027 (\$750 million)**.

These figures should be reviewed on an annual basis, considering the execution capacity of the Ministry of Economy and other agencies involved, which will require adjusting expectations as the planned results are achieved.



5.2 Short-term Milestones

Institutional structure

- Draft the Government Resolution to create the final version of the National Investment Promotion Agency and monitor its administrative-financial management.
- Create the team under a provisional scheme (short term) and design the administrative-financial process for the permanent scheme.

Inter-institutional coordination

- Coordinate efforts to implement the Strategy with MINEX and the Network of Commercial Advisors, with emphasis on priority sectors and target markets.
- Establish an investor service protocol for orderly and efficient interaction of public and private agencies to promote investment attraction.
- Continue to coordinate with agencies related to investment attraction, both public and private, the Steering Committee of the Guatemala Moving Forward Plan and resume the technical working group for investment promotion to execute the decisions made there.

Investment intelligence

- Appoint specialized personnel to develop investment intelligence, focused on prospecting, sector analysis, industrial costs, regional benchmarking.
- Acquire specialized FDI digital platforms.
- Institutionalize the Investment Intelligence Technical Group.

Specialized investment promotion services and actions

- Acquire a CRM to monitor investment promotion activities (according to the established investor service protocol).
- Advance to make the Single Investment Window operational.
- Establish a plan to streamline the soft landing of interested companies.
- Establish a proactive investment promotion plan in priority markets and sectors (participation in investment events, prospecting, investment agendas, etc.).
- Participate in key international events to proactively prospect investor leads, specifically for each productive sector.

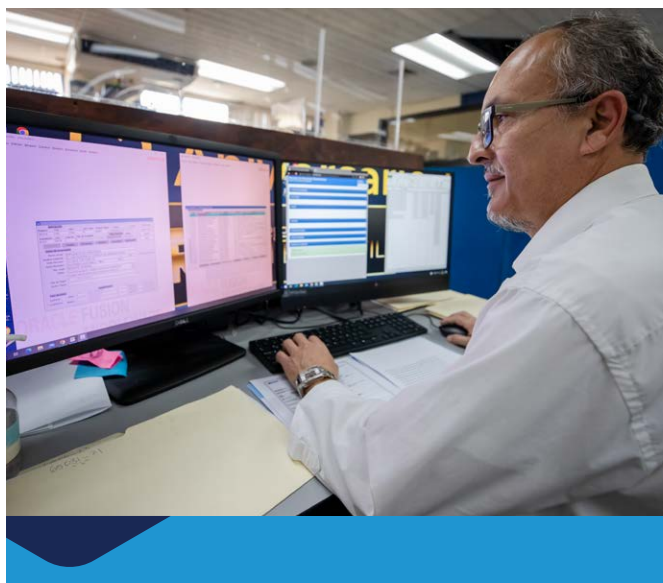
5.3 Inter-institutional coordination

The Ministry of Economy coordinates the network of public and private strategic partners to design a model for adequately addressing the interests of foreign investors by promoting investment opportunities in the country:

	Ministry of Foreign Affairs (MINEX) - Network of Commercial Advisors
	Ministry of the Interior (MINGOB) - Migration Institute
	Ministry of Public Finance (MINFIN) - Superintendency of Tax Administration (SAT)
	Ministry of Agriculture, Livestock and Food (MAGA)
	Ministry of Energy and Mines (MEM) - National Electrification Institute (INDE)
	Ministry of Environment and Natural Resources (MARN)
	Ministry of Public Health and Social Assistance (MSPAS)
	Guatemalan Social Security Institute (IGSS)
	Ministry of Labor and Social Welfare (MINTRAB)
	Technical Training and Productivity Institute (INTECAP)
	Guatemala Moving Forward Plan (GNSD)
	Guatemala City Municipal Office to Support Productive Investment and Competitiveness
	Municipal governments
	Public and private universities
	Private and multilateral banks
	International cooperation agencies
	Diplomatic representations in the country
	Business chambers

5.4 Structure

To meet the challenges of this Strategy, the Ministry of Economy will designate a dedicated team, which will be progressively integrated into the Ministry's structure under a two-stage scheme:



a. Provisional short-term plan:

Initially, the team responsible for attracting investments will have a staff of 12 people: 1 Executive Director, 5 Promotion Advisors specialized in priority productive sectors, 2 Investment Intelligence Experts, 2 Aftercare Advisors, and 2 Administrative and Financial Support Staff.

b. Final long-term plan

Simultaneously with starting operations with the provisional scheme, the Ministry of Economy will create legal support mechanisms to regulate the operation of the Single Investment Window (VUI), requiring approval through a Government Resolution. This expanded scheme will have 24 people: 1 Executive Director, 1 Deputy Executive Director, 8 Promotion Advisors, 4 Investment Intelligence Experts, 5 Aftercare Advisors, and 5 Administrative and Financial Support Staff.

Acronyms

BANGUAT	_____	Central Bank of Guatemala
CAGR	_____	Compound Annual Growth Rate
CONAPEX	_____	National Export Promotion Council
DISERCOMI	_____	Trade and Investment Services Office
FDI	_____	Foreign Direct Investment
GNSD	_____	Guatemala Moving Forward Plan
IGSS	_____	Guatemalan Social Security Institute
INDE	_____	National Electrification Institute
INTECAP	_____	Technical Training and Productivity Institute
ISR	_____	Income Tax
IVA	_____	Value Added Tax
IT	_____	Import Tariff
MAGA	_____	Ministry of Agriculture, Livestock and Food
MARN	_____	Ministry of Environment and Natural Resources
MEM	_____	Ministry of Energy and Mines
MINECO	_____	Ministry of Economy
MINEX	_____	Ministry of Foreign Affairs
MINFIN	_____	Ministry of Public Finance
MINGOB	_____	Ministry of the Interior
MINTRAB	_____	Ministry of Labor and Social Security
MSPAS	_____	Ministry of Public Health and Social Welfare
GDP	_____	Gross Domestic Product
SAT	_____	Superintendency of Tax Administration
SICA	_____	Central American Integration System
VAC	_____	Agile Window for Construction
VAI	_____	One-Stop Shop for Imports
VUCE	_____	Single Foreign Trade Window
VUFE	_____	Single Business Formalization Window
VUI	_____	Single Investment Window
VUPE	_____	One-stop Shop for Exports
ZDEEP	_____	Public Special Economic Development Zone

Guatemala, 2024.

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