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## reasons to invest in Guatemala

### 1 Favorable Macroeconomic Environment for Long-Term Investments

The country's macroeconomic environment allows for long-term planning with a manageable level of risk, supported by an average growth rate of 3.6% over the past decade; a stable exchange rate, which has hovered around GTQ 7.8 per US\$ 1 for the past 20 years; solid international reserves reaching US\$ 21.246 billion in 2023; moderate public debt, representing 28.4% of GDP in 2023; and a stable and positive sovereign risk rating, with a BB rating from Fitch Ratings and Standard & Poor's, as well as Ba1 from Moody's (2024).

### 2 Young and Skilled Workforce

Guatemala has the youngest and largest workforce in Central America, with an average age of 26 and 12.3 million people of working age, including 6.4 million women. Guatemalans are known for their strong service culture, high adaptability to change, openness to innovation, and remarkable learning capacity. Each year, more than 23,000 university graduates and 11,000 technical professionals enter the labor market across various fields. Additionally, the country boasts the region's most dynamic business ecosystem and a scholarship network aimed at fostering employability.

### 3 Diversified Energy Matrix and Commitment to Sustainability

Guatemala has a diversified energy generation capacity, reaching 3,400 MW, ensuring long-term supply at competitive costs. Legal stability in the energy sector drives investments in generation and transmission infrastructure. Additionally, a favorable regulatory framework allows large users, with demands exceeding 100 kW, to negotiate more advantageous rates. The country also boasts abundant production resources, including a land area of 108,889 km<sup>2</sup>, 97 billion m<sup>3</sup> of water, and various raw materials. This rich resource base enhances resilience and environmental management, positioning Guatemala as an attractive and stable option for companies committed to sustainability.

### 4 Strategic Location at the Logistic Heart of the Americas

Guatemala serves as a strategic global hub thanks to its prime location at the logistical heart of the Americas. Access to ports on both the Atlantic and Pacific Oceans enables fast and direct connections with Central America, Mexico, and the United States, with speed-to-market times ranging from 4 to 6 days. Additionally, Guatemala has 15 free trade agreements (FTAs) providing duty-free access to over 1.5 billion consumers. This advantage is further enhanced by a modern infrastructure and multimodal connectivity, including ports on both coasts and proximity to major North American cities, with flights to Miami, Dallas, Houston, and Atlanta taking just 3 hours.

### 5 Special Economic Zones and Attractive Incentives

Guatemala offers a strong and attractive incentive framework to promote foreign investment, backed by over 50 years of experience in special economic zones that provide permanent benefits. These zones allow companies to enhance their competitiveness by expanding or relocating operations to access key markets, enjoying advantages such as tariff and tax exemptions, including Income Tax exemptions for 10 years, as well as VAT and customs duty exemptions on the purchase of local inputs, imported raw materials, and production machinery. Additionally, the country is promoting the development of industrial parks across various regions, fostering small economic ecosystems that support sustainable economic growth.

### 6

### Stable and Low-Risk Legal Framework

Guatemala stands out for its robust and low-risk legal framework, characterized by clear, fair, and stable regulations. The government is committed to reducing corruption and improving governance, positioning the country as a predictable and secure option for businesses.

Continuous improvements are being implemented to enhance the business climate, prioritizing contract enforcement, streamlining procedures, and protecting private property. Compared to neighboring countries, Guatemala offers a reliable and predictable legal and political landscape, further strengthening its appeal as an ideal environment for business growth and expansion.

### 7

### Safety and quality of life

Supported by a low homicide rate of 16.4 per 100,000 inhabitants, significantly lower than the regional average of 24.3, making it a safe place to live and invest. With rental costs 70% lower than in the United States, access to healthcare services, and an average temperature of 24°C, Guatemala is an ideal country for expatriates. The confidence in economic activity, which reached 72.35 points in May 2024, and an optimistic outlook for the coming years, demonstrate that Guatemala is a low-risk country that offers predictability for businesses.



#### International Airports

1. La Aurora in Guatemala City
2. Mundo Maya in Petén



#### Ports

1. Puerto Quetzal
2. Puerto Santo Tomás de Castilla
3. Puerto Barrios



#### Land Customs Offices

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|------------------|------------------|-----------------------|
| 1. El Ceibo      | 5. Tecún Umán I  | 9. La Ermita          |
| 2. La Mesilla    | 6. Corinto       | 10. San Cristóbal     |
| 3. El Carmen     | 7. Agua Caliente | 11. Valle Nuevo       |
| 4. Tecún Umán II | 8. El Florido    | 12. Pedro de Alvarado |

Sources: SAT, BANGUAT, INE, INTECAP, MINECO, CEPAL, MEM, OIM, INGUAT.