

Introduction

Guatemala is a country in Central America bordering the Northern Pacific Ocean, the Gulf of Honduras, El Salvador, Mexico, Honduras, and Belize. Two mountain chains enter



Guatemala from west to east, with a small desert, sand dunes, and hills in-between. The government system is a presidential republic; the chief of state and head of government is the president. Guatemala

has a mixed economic system which includes a variety of emerging private freedom, combined with centralized economic planning and government regulation.



Location: Central America

Capital City: Guatemala City (-6 GMT)

Chief of State: President Bernardo Arevalo de Leon

Head of Govt.: President Bernardo Arevalo de Leon

Currency: Quetzal (GTQ)

Major Languages: Spanish (official) 69.9%, Maya languages 29.7% (Q'eqchi' 8.3%, K'iche' 7.8%, Mam 4.4%, Kaqchikel 3%, Q'anjobal 1.2%, Poqomchi' 1%, other 4%), other 0.4% (includes Xinca and Garifuna); note - the 2003 Law of National Languages officially recognized 23 indigenous languages, including 21 Maya languages, Xinca, and Garifuna (2018 est.)

Primary Religions: Roman Catholic 41.7%, Evangelical 38.8%, other 2.7%, atheist 0.1%, none 13.8%, unspecified 2.9% (2018 est.)

Calling Code: 502

Voltage: 120

Key Websites

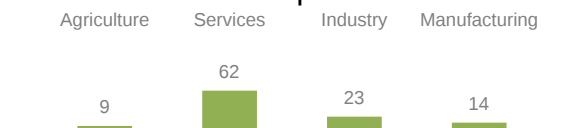
Main Government Page: presidencia.gob.gt

Commerce Ministry: mineco.gob.gt

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$187.78 billion (2022)
GDP growth (annual %):	4.12% (2022)
GDP per capita, PPP (current international \$):	\$10,818.17 (2022)
External debt stocks, total (DOD, current US\$):	\$26,964,587,120.10 (2021)
Manufacturing, value added (% of GDP):	14.10% (2022)
Current account balance (BoP, current US\$):	\$2.11 billion (2021)
Inflation, consumer prices (annual %):	6.89% (2022)
Labor force, total:	6,884,303 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	2.57% (2022)
Imports of goods and services (current US\$):	\$33.87 billion (2022)
Exports of goods and services (current US\$):	\$18.07 billion (2022)

GDP Composition %



*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.

Rankings

Index	Rank
Corruption Perceptions Index	147 / 178
Global Competitiveness Index	98 / 141
Global Enabling Trade Index	69 / 136
Index of Economic Freedom	64 / 176
International Logistics Performance Index (LPI)	125 / 160
Inward FDI Potential Index	100 / 139
KOF Index of Globalization	77 / 185
Networked Readiness Index (NRI)	103 / 139
Open Budget Index	25 / 114

Risk Assessment (Provided by Coface)

Country rating: C - A very uncertain political and economic outlook and a business environment with many troublesome weaknesses can have a significant impact on corporate payment behavior. Corporate default probability is high.

Business Climate rating: C - The business environment is difficult. Corporate financial information is often unavailable and when available often unreliable. Debt collection is unpredictable. The institutional framework has many troublesome weaknesses. Intercompany transactions run major risks in the difficult environments rated C.

Strengths

- Financial support from the US
- Free trade agreements with the US (largest trading partner in 2022) and the European Union
- Agricultural (bananas, coffee, sugar, palm oil, cardamom), tourism, hydroelectric and geothermal resources
- Mining potential (gold, silver, nickel, alkaline earths)
- High foreign exchange reserves (around 7 months of imports) and a strong quetzal
- Low level of public and external debt, particularly in comparison with its regional peers

Weaknesses

- Heavy dependence on remittances from expatriates living in the US
- Political/social instability, corruption, and insecurity (drug trafficking) weighing on the business environment
- Social divide fuelled by rural poverty (10.4% of the total population below the poverty line in 2022), inequality, under-investment by the public sector, ethnic divisions, and external shocks
- Low tax revenues (12% of GDP by 2023)
- Low-skilled workforce

U.S. Embassy

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<https://gt.usembassy.gov>