# GUATEMALA

### Recent trends

Guatemala has made progress in some development indicators in the past decades. In particular, the maternal mortality ratio has decreased substantially, from 205 to 88 per 100 000 live births between 1990 and 2015. However, the rate remains higher than the Latin America and Caribbean (LAC) average of 74.4. The infant mortality rate decreased from 60.1 to 23.1 per 1 000 live births between 1990-2015.

Guatemala's gross domestic product (GDP) per capita increased by almost one-and-a-half times between 1990 and 2017, but the country still lags behind in poverty reduction, secondary school enrolment and productivity. Labour productivity in terms of GDP per person employed remains low, representing only 22.1% of the OECD average. Total factor productivity growth was -0.6% between 2000-17. At the same time, the country's share of the population living on less than USD 5.5 a day (2011 PPP) increased from 44.8% to 48.8% over 2000-14. Guatemala's net secondary enrolment rate remains low at 47.1% compared to the LAC average of 74.4%. This rate is also low compared to countries with similar income level, such as Bolivia (78%) and El Salvador (64.3%).

### National strategies and international co-operation for development

The "Plan Nacional de Desarrollo: K'atun Nuestra Guatemala 2032" [National Development Plan: *K'atun* Our Guatemala 2032] is a long-term plan with the notion of equity as the main pillar for the future development of the country. The plan, which has five main axes, has strong links with Sustainable Development Goal (SDG) 2 (zero hunger), SDG 10 (reduction of inequalities) and SDG 11 (sustainable cities and communities) (ECLAC, 2018).

The first axis of "wealth for all" focuses on measures to kick-start the economic development of the country in order to promote economic and social well-being of the population. This includes promoting the productive diversification and transformation of the economy; maintaining economic stability; increasing creation of decent and quality employment; and increasing equal access to credit, with emphasis on rural areas, youth, women, and micro-, small- and medium enterprises.

The second axis focuses on well-being and sustainability by promoting public policies tailored to the specific socio-economic and ethnic groups to tackle inequality. Among others, this includes policies for guaranteeing access to universal social security to achieve a Human Development Index of 0.7 by 2032; ensuring food security; reducing maternal, child and infant mortality by strengthening the management of the National Policy of Comprehensive Development of Women and the Plan for Equity of Opportunities, with special attention to indigenous groups; and ensuring access to all levels of education to the population between 0 and 18 years of age.

The axis of a "state guarantor of human rights and leader of development" posits four fundamental criteria: the rule of law; the principle of legality in the public administration of law; co-ordination and separation of the state's powers; and the guarantee and respect for human rights. It envisions policies for a constitutional reform process and redesign of the institutional set up, modernisation of the Municipal Tax Code, implementation of public policies for digital inclusion and realisation of the Strategy for Security in Central America (ESCA in Spanish).

In terms of public financing capacities, Guatemala's total tax revenues were 12.6% of GDP in 2016 (vs. 22.7% in LAC and 34.3% in the OECD). The country introduced e-invoicing in 2007 and is now moving from the old *FACE* framework to a new system called *FEL*. E-invoicing has been mandatory in Guatemala since 2013 for all special taxpayers. In 2017, Guatemala also ratified the Convention on Mutual Administrative Assistance in Tax Matters. However, it is not yet a signatory of the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports and of the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information to fight tax evasion.

The non-reimbursable international co-operation policy of Guatemala is aligned with the National Development Plan. It counts on ten priorities in the realms of poverty, social security, health, education, food security, employment, social resources, fiscal policy, institutions and territorial management. The key international co-operation sectors of the country are economic affairs, general public services, and public order and citizen security. Of the non-reimbursable international co-operation disbursed between 2008-14, 82.59% was provided by 34 co-operation partners, among them Canada (4.72%), the European Union (13.19%), Germany (6.20%), the Inter-American Development Bank (3.79%), Japan (6.77%), Spain (5.64%), Sweden (5.51%), Chinese Taipei (4.42%), the United Nations Development Programme (9.60%) and the United States (34.64%).

| | Key Indicators | | | | | |
|---|---|---|---|---|---|---|
| **Income and productivity** | **Guatemala** | | **LAC [1]** | | **OECD [2]** | |
| | **2007** | **2017** | **2007** | **2017** | **2007** | **2017** |
| GDP per capita, PPP (constant 2011 international USD) [3] | 6 713 | 7 424 | 12 603 | 12 970 | 38 972 | 39 586 |
| Labour productivity relative to OECD (%) [4] | 22.1 | 22.1 | 38.3 | 36.8 | 100 | 100 |
| Households and NPISHs final consumption expenditure per capita (constant 2010 USD) [3] | 2 417 | 2 771 | 4 305 | 5 491 | 22 098 | 20 441 |
| | **2006** | **2016** | **2006** | **2016** | **2006** | **2016** |
| Economic Complexity Index [5] | -0.3 | -0.3 | -0.3 | -0.3 | 1.1 | 1.1 |
| | **Guatemala** | | **LAC** | | **OECD** | |
| Average annual change in total factor productivity, 2000-17 (%) [6] | -0.6 | | -0.7 | | 0.1 | |
| **Social vulnerabilities** | **Guatemala** | | **LAC** | | **OECD** | |
| | **2007** | **2016** | **2007** | **2016** | **2007** | **2016** |
| Share of people living in poverty, less than USD 5.50 a day (2011 PPP) (%) [7] | 43.4 | 48.8 | 34.9 | 24.0 | NA | NA |
| Share of people living in vulnerability, USD 5.50-13.00 a day (2011 PPP) (%) [7] | 34.6 | 35.9 | 35.5 | 36.5 | NA | NA |
| Life expectancy at birth (years) [3] | 70.4 | 73.4 | 73.7 | 75.6 | 78.7 | 80.1 |
| Mean years of schooling (population at 25 and older) [8] | 3.7 | 6.4 | 7.4 | 8.6 | 11.0 | 11.8 |
| Net enrolment rate, secondary level (%) [9] | 38.1 | 47.1 | 66.6 | 74.4 | 78.7 | 90.3 |
| | **2007** | **2017** | **2007** | **2017** | **2007** | **2017** |
| Share of population that did not have enough money for food in past 12 months (%) [10] | 21.0 | 50.0 | 34.8 | 44.3 | 12.0 | 13.0 |
| Gini index [3] | 54.6 | 48.3 | 50.8 | 46.2 | 32.7 | 36.5 |
| Share of workers in vulnerable employment (% of total employment) [11] | 43.9 | 34.7 | 32.6 | 31.0 | 12.8 | 12.6 |
| Infant mortality rate (per 1 000 live births) [3] | 32.1 | 23.1 | 19.4 | 14.7 | 7.9 | 5.7 |
| | **2007** | **2015** | **2007** | **2015** | **2007** | **2015** |
| Maternal mortality ratio (deaths per 100 000 live births) [3] | 118.0 | 88.0 | 87.1 | 74.4 | 19.0 | 14.0 |
| | **2009** | **2015** | **2009** | **2015** | **2009** | **2015** |
| Mean PISA score in science performance [12] | NA | NA | 406 | 412 | 501 | 493 |
| | | **2018** | | **2018** | | **2018** |
| Social Institutions and Gender Index (SIGI) (%) [12] | | 28.6 | | 24.6 | | 17.3 |
| **Environment** | **Guatemala** | | **LAC** | | **OECD** | |
| Change in forest area, 2000-15 (%) [3] | -15.9 | | -1.2 | | 0.8 | |
| | **2005** | **2016** | **2005** | **2016** | **2005** | **2016** |
| PM$_{2.5}$ air pollution, mean annual exposure (micrograms per cubic metre) [3] | 37.3 | 28.5 | 24.7 | 20.3 | 15.1 | 14.9 |
| | **2007** | **2014** | **2007** | **2014** | **2007** | **2014** |
| CO$_2$ emissions (kilograms per PPP USD of GDP) [3] | 0.15 | 0.15 | 0.25 | 0.23 | 0.32 | 0.24 |
| | **2007** | **2017** | **2007** | **2017** | **2007** | **2017** |
| Share of population satisfied with air quality (%) [10] | 73.0 | 80.0 | 74.0 | 73.2 | 74.0 | 79.0 |
| Share of population satisfied with water quality (%) [10] | 68.0 | 68.0 | 75.0 | 70.8 | 78.0 | 84.0 |
| **Institutions and perceptions about public services** | **Guatemala** | | **LAC** | | **OECD** | |
| | **2007** | **2016** | **2007** | **2016** | **2007** | **2016** |
| Total tax revenue as a share of GDP (%) [12] | 13.9 | 12.6 | 20.8 | 22.7 | 33.7 | 34.3 |
| | **2006** | **2017** | **2006** | **2017** | **2006** | **2017** |
| Share of population satisfied with the educational system (%) [10] | 69.0 | 73.0 | 68.1 | 65.0 | 64.0 | 68.0 |
| | **2007** | **2017** | **2007** | **2017** | **2007** | **2017** |
| Share of population that believes in honesty in elections (%) [10] | 33.0 | 42.0 | 36.9 | 34.9 | 53.0 | 60.0 |
| Share of population that thinks corruption is widespread throughout government (%) [10] | 75.0 | 75.0 | 72.9 | 74.5 | 60.0 | 54.0 |
| Share of population with confidence in national government (%) [10] | 30.0 | 46.0 | 40.9 | 36.1 | 41.0 | 45.0 |
| Share of population satisfied with roads (%) [10] | 57.0 | 55.0 | 54.4 | 53.4 | 61.0 | 66.0 |
| Share of urban population satisfied with the availability of quality healthcare (%) [10] | 51.0 | 47.0 | 55.5 | 49.9 | 69.0 | 69.0 |
| Share of population satisfied with standard of living (%) [10] | 83.0 | 84.0 | 68.6 | 69.3 | 73.0 | 77.0 |
| Share of population that feels safe walking alone at night (%) [10] | 50.0 | 52.0 | 46.8 | 46.2 | 61.0 | 72.0 |
| | **2007** | **2015** | **2007** | **2015** | **2007** | **2015** |
| Homicide rate (per 100 000 inhabitants) [3] | 42.2 | 29.4 | 23.7 | 21.9 | 2.0 | 1.8 |

Sources, footnotes and technical details can be found at the end of the country notes.