



Guatemala

Flag



- The flag of Guatemala was officially adopted on August 17th, 1871. The blue and white are the original colors used by the United Provinces of Central America.
- The coat of arms (centered on white) was adopted in 1968 and features the quetzal bird, a symbol of liberty, perched on the Declaration of Independence.

Flag



- The coat of arms shows two **Bay Laurel** branches symbolizing victory. The bird displayed in the crest is the Quetzal, in our country this bird is a symbol of **liberty**.
- The **scroll** contains the date that all of Central America was declared independent from Spain. The **crossed rifles** are a warning that Guatemala will defend itself with force if necessary. Finally, the **swords** represent the honor of the people of Guatemala.



Vocabulary

➤ Comprise

➤ Compulsory

➤ Council

➤ Dictatorship

➤ Fabled

➤ Insurgency

➤ Peasantry

➤ Perch

➤ Plunge

➤ Remnant

➤ Ruthlessly

➤ Seize

➤ Suffrage

Guatemala Brief History



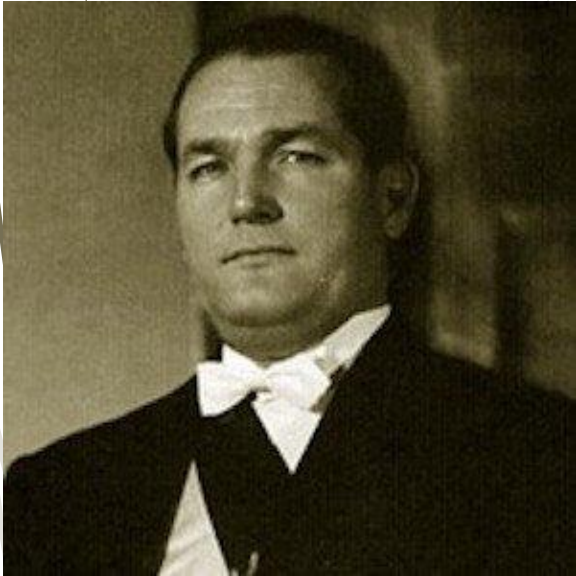
- The **fabled** Maya people flourished throughout the Yucatan Peninsula and Guatemala for centuries. This very advanced civilization constructed great cities, grand palaces, pyramids and observatories, as well as advanced works of art, astronomy, literature and mathematics.
- **Remnants** of this extraordinary people and a quite sizeable population of descendants still exist in Guatemala and all across the Yucatan today. In fact, even though they remain the largest population majority in the country and their languages and religions survived, they sadly live in poverty, and if you will, form an almost forgotten and repressed minority-majority.

Guatemala Brief History



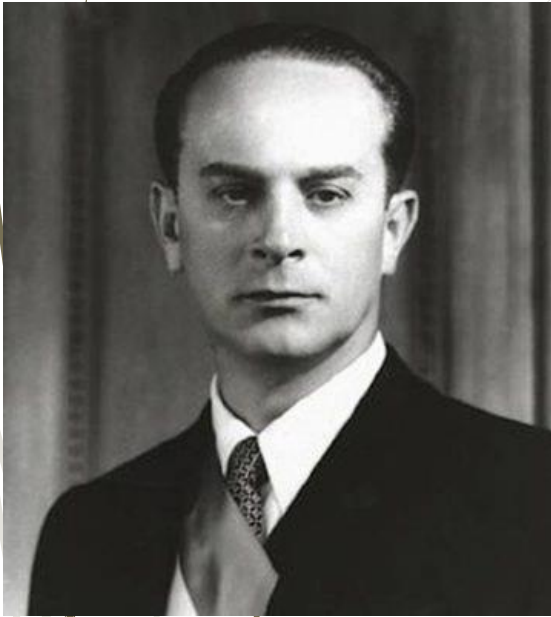
- When the Spanish conquistadors and their leader, Pedro de Alvarado, arrived in 1523, they quickly defeated the weaker Maya forces and aggressively began the colonization of the land.
- For the almost 300 hundred years that followed, the Spanish colonial powers ruthlessly exploited and persecuted the remaining Maya, all but erasing their culture from the map of world history.
- After the independence from Spain in 1821, Guatemala, Costa Rica, El Salvador, Honduras and Nicaragua formed the United Provinces of Central America, but that federation quickly dissolved, and Guatemala became an independent republic in 1838.

Guatemala Brief History



- This new country experienced a lengthy series of **coups, dictatorships, insurgencies, human atrocities**, and long stretches of brutal military rule.
- In the 1940s, two reformist presidents were elected; presidents that permitted free expression, legalized unions, encouraged social reform, and the formation of political parties. It's referred to as the "**Ten Years of Spring**", but it was short-lived.

Guatemala Brief History



- Jacobo Arbenz was forced out of office and the repressive military regained control, and eventually Guatemala slipped into a 36-year civil war; over 200,000 civilians were murdered, and of course, the country's economy was ruined.
- Finally, in 1996, the government signed a peace agreement with the leftist rebels, formally ending the conflict which had left countless people dead and over one million homeless refugees.



Guatemala's Legislation



Guatemala's Legislation

- Guatemala is a constitutional democratic republic that is divided into 22 departments and governed by a 3-branch system, consisting of the executive, legislative, and judicial.
- The Executive branch is integrated by the President, the Vice President and the Cabinet (Council of Ministers appointed by the president). The president and vice president are directly elected through universal suffrage and limited to one term. A vice president can run for president after 4 years out of office.



Guatemala's Legislation

- The legislative branch consists of the National Congress. It is the unicameral legislature of the Republic of Guatemala. It comprises 158 deputies (members), who are elected by direct universal suffrage to serve four-year terms (the number was increased from 113 for the 2003 election).
- It is not uncommon that Congress Members change parties during the legislature term, as well as Congress Members seceding from a party to create a new party or congressional block.



Guatemala's Legislation

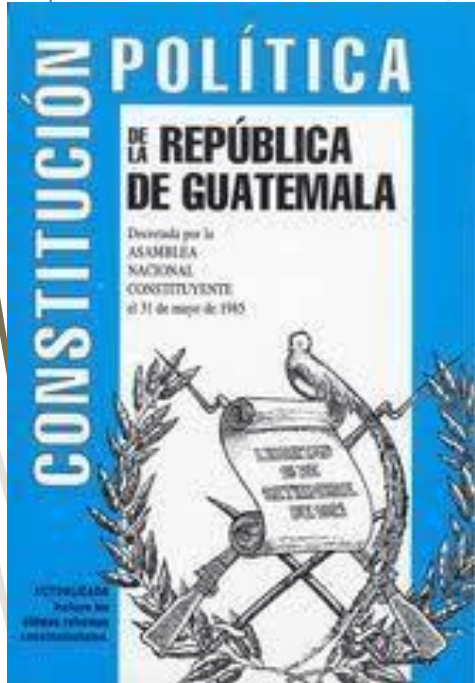
- The **Judicial branch** includes the **Constitutional Court** and it is Guatemala's **highest court** (five judges are elected by Congress for **concurrent five-year terms**).
- This branch also includes the **Supreme Court of Justice**, its members are elected by **Congress** to serve concurrent five-year terms, **the president of the Supreme Court of Justice** supervises trial judges around the country; this court consists of **13 justices** who are elected by the Congress.



Guatemala's Legislation

- These 13 justices are elected by the Congress from a list of 26 qualifying candidates submitted by the bar association, law school deans, a university rector, and appellate judges. The Supreme Court and local courts handle civil and criminal cases.

Constitution of Guatemala



- The Constitution of Guatemala is THE **SUPREME LAW** of the Republic of Guatemala. It sets the bases for the organization of Guatemalan government and it **outlines the three main branches** of Guatemalan government: executive branch, legislative branch, and judicial branch.
- Guatemala's **1985** constitution provides for a separation of powers among the executive, legislative, and judicial branches of government



Constitution of Guatemala

- In 1993 the Constitution was reformed. Constitutional reforms included an increase in the number of Supreme Court justices from 9 to 13.
- The reforms also reduced the terms of office for president, vice president, and congressional representatives from 5 years to 4 years, and for Supreme Court justices from 6 years to 5 years; they increased the terms of mayors and city councils from 2-1/2 years to 4 years.



Guatemala's Tax System

- The tax system is currently undergoing reform as the Guatemalan government attempts to make taxation a more lucrative tool. In 1996, Guatemala's tax revenue accounted for just 8 percent of its GDP, putting it at the second lowest rate in the Western hemisphere.
- The peace accords signed in 1996 called for an increase that would bring tax revenues up to 12 percent of the GDP by 2000, providing greater funding for social programs.



Guatemala's Tax System

- Unfortunately, the parties who signed on to this fiscal pact (government, social organizations, and business leaders) have not all given it their **steadfast** support, and tax revenues for 2000 only amounted to slightly more than **10 percent** of the GDP.
- Among the taxes on which Guatemala relies for revenue are customs duties, sales taxes, and **excises** on liquor and tobacco. Additional taxes under discussion for reform or implementation in Guatemala currently include the **value-added tax** and new taxes to be applied to a variety of industries.



Manufacturing in Guatemala

Manufacture



- The **manufacture** and **assembly** sector in Guatemala used to be integrated by industries involved in **apparel** and textiles. Currently, the objective is to **position** Guatemala as an **investment destination** that may be attractive to strategic sub-sectors such as electronics, auto parts and medical supplies.
- The main **commercial partners** for Guatemala are: Central America, the United States, the **Caribbean**, South America and the European Union.



Manufacture

- The **manufacture** sector represented 30% of the total exports of Guatemala during 2007. This shows the dynamic performance and growth of this sector in Guatemala.
- Elements such as **adding value** to the products, the opening of **new markets**, the on going negotiations of **free trade agreements**, as well as the improvement of **productivity** and **market intelligence** represent investment and trade opportunities for new **investors** who want to utilize the advantages offered by Guatemala as an export platform and a logistics center for the world.



Advantages from investing in manufacture

- Guatemala offers high **profitability** in the manufacturing/assembly sector thanks to its mixture of **favorable conditions**, such as: human resources with high learning and skills; the **cost-efficiency of human resources**; strategic location, and **low operation costs**. Guatemalan human resources show a **high level of commitment** to training and performing their job with knowledge and efficiency.
- The sub-sector of assembly of electronics, automotive parts and medical supplies has chosen our country to invest after evaluating the opportunities that the country offers.



Tourism

- The touristic sector provides a huge potential for investment, becoming the main entry of the commercial balance, surpassing coffee, sugar, cardamom and other exports.
- The main objective of investing in Guatemala and entities supporting the sector, are to strongly encourage the structuring, marketing and information on tourist products and destinations by promoting the country.



Tourism

➔ Unlike the other Central American countries, Guatemala provides a comprehensive supply and has a large variety of high quality tourism segments, such as:

- *Archeology*
- *Colonial History and Legacy*
- *Indigenous culture and communities*
- *Volcanoes*
- *Fishing*
- *Ecotourism and adventure*
- *Beaches on the Atlantic and Pacific coast*

Main Areas for Tourism Development

Antigua Guatemala

- Antigua Guatemala is the country's Main tourism destination. Antigua, were declared "World **Heritage**" by UNESCO (1979); is the most outstanding and best preserved Colonial City in all Spanish America.
- Antigua's favorable weather not only allow outdoor activities and sports as Golf, horseback riding, and others, but also makes it attractive for the retirement communities market.



Main Areas for Tourism Development

Peten, Mayan World

- Tikal National Park is declared “World Heritage” by UNESCO in 1979 and these is the second tourist site most visited in Guatemala, along with Lake Atitlan.
- The Mayan culture and it's rainforests responds to the demand of 58% of the tourists, which visit the country in search of culture, nature, adventure and sports. The Peten rainforest's Mirador basin is the last tract of virgin rainforest remaining in Central America.



Main Areas for Tourism Development

Caribbean Coast: Izabal



- Izabal is the third tourism destination most visited of the country. Amatique Bay, Río Dulce, and Izabal Lake, due to their geographic location, are protected from hurricanes. There is a short distance from Quirigua, declared “World Heritage” by UNESCO (1981)

Atitlan Lake



- The Lake of Atitlan is the second tourism site most visited in the country. The Natural landscapes of the Lake combined with local ethnicity, attract the incoming tourists seeking for culture and adventure.



Main Areas for Tourism Development

Guatemala City

- Guatemala City attracts a high number of business travelers, which represent 21% of its total visitors and whose visit purposes are business & conferences. Guatemala City is the most **cosmopolitan** and contemporary of all Central America.
- For this reason, many multinational firms establish their headquarters for the Latin and/or Central American region in Guatemala.