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CREATING ECONOMIC OPPORTUNITIES

Dates of project: January 2018 – January 2024

Budget: \$69.8 million

The Creating Economic Opportunities Project supports conditions for, and directly stimulates economic growth in Guatemala to create jobs and reduce the need for citizens to seek opportunity abroad. Using market-driven approaches, the project coordinates private sector efforts with national and local stakeholders to promote trade and investment, mobilize private sector financing, update productive infrastructure, and strengthen private sector competitiveness.

GEOGRAPHICAL AND DEMOGRAPHIC APPROACH

In addition to the capital city of Guatemala, the Project focuses on the five western highland departments that experience the highest rates of migration: Huehuetenango, San Marcos, Quiché, Quetzaltenango, and Totonicapán.

CONTEXT AND CHALLENGES

The lack of economic opportunity is consistently cited as the reason Guatemalans choose to emigrate. To mitigate this primary driver of migration, USAID supports activities by the government, civil society, and the private sector to promote broad-based economic growth and enable Guatemalans, including indigenous people, women, and youth, to chart their own prosperous future.

APPROACH AND RESULTS

The project delivers results under the following technical components:

Promoting trade and investment: Engages with investors in strategic markets and key business sectors to attract and facilitate investment to drive economic activity and grow employment in Guatemala.

Mobilizing financial services: Working both with banks and investment funds on the supply side and with enterprises seeking financing on the demand side, the Project mobilizes private sector capital for growth.

Upgrading productive infrastructure: Partners with municipal and national authorities to identify transit bottlenecks and other infrastructure constraints and implement solutions to enable business growth.

Improving private sector competitiveness Co-invests with more than 430 small and medium-sized businesses to strengthen financial and administrative management, optimize production, identify new market opportunities, and build productive capacity to compete, grow sales, and create jobs.

EXPECTED RESULTS

- 50,000 new jobs, including 25,000 for women and 15,000 for youth
- \$75 million in foreign and domestic direct investment in Guatemalan companies
- \$50 million in financial services provided to Small and Medium-sized enterprises (SMEs)
- \$60 million invested in local productive infrastructure projects to benefit more than 300,000 people
- \$285 million in new sales in partner companies

CONTACT INFORMATION

USAID Office: Economic Growth Office

Implementing Partner: Palladium International, LLC

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