Food and Agriculture Organization of the United Nations

Hand-in-Hand Initiative

Guatemala

HAND-IN-HAND INITIATIVE | 2026 INVESTMENT FORUM

IMPORTANT NOTES

FAO'S HAND-IN-HAND INITIATIVE

The investment opportunities presented in this document derive from government-led investment plans developed under FAO's Hand-in-Hand (HIH) Initiative. The Initiative supports countries in identifying high-impact agrifood system investments through a combination of data-driven territorial analysis, value chain assessments, and close collaboration with national counterparts. Using the Hand-in-Hand Geospatial Platform, the Initiative integrates geospatial, biophysical, and socio-economic data to identify priority "green zones" where agricultural potential and poverty incidence overlap, creating strong opportunities for transformative investment. Based on these analyses, national governments lead the development of investment plans that identify priority value chains, key bottlenecks, and potential investments required to accelerate agrifood system transformation. These investment opportunities aim to raise incomes, improve nutrition, and empower poor and vulnerable populations, while strengthening resilience to climate change and supporting the sustainable management of natural resources. The Initiative focuses on territories where targeted investments can generate the greatest impact in reducing poverty and hunger, contributing to progress towards Sustainable Development Goals SDG1 (No Poverty), SDG2 (Zero Hunger), and SDG10 (Reduced Inequalities), while balancing economic growth, social inclusion, and environmental sustainability.

IMPORTANT CLARIFICATIONS

The opportunities presented in this document are derived from government investment plans and reflect national development priorities identified through the Hand-in-Hand Initiative. FAO provides analytical and technical support in the identification and assessment of these opportunities and facilitates engagement with potential partners. The concepts presented are indicative and require further structuring and discussion with the relevant governments and potential investors. This document therefore presents a pipeline of government-prioritized agrifood investment opportunities that have been pre-screened using FAO's Hand-in-Hand analytical tools. FAO can support interested partners by facilitating technical exchanges and follow-up discussions with relevant government counterparts.

IMPACT TAGS

Investment cases are classified across four impact areas to highlight their primary development contributions and ensure comparability across countries and value chains.

- **Livelihoods** — Income, productivity, jobs, and market access
- **Gender & Youth** — Inclusion and opportunities for women and young people
- **Planet & Environment** — Climate resilience and sustainable resource management
- **Digital** — Use of technology to improve efficiency and access

GUATEMALA

A stable, strategically located agrifood economy backed by strong government commitment to inclusive rural investment

KEY INVESTMENT SIGNALS

POPULATION

18.3M

(MILLION)

GDP

USD 112.2B

(BILLION)

FOREIGN DIRECT INVESTMENT

USD 1.7B

(BILLION)

INVESTMENT CASE

STABLE MACRO FUNDAMENTALS

- 4.1% GDP growth projected for 2026 (Banguat)
- 3.6% average growth over the past decade (2014–2024)
- Inflation below 3.9% on average for 12 consecutive years
- Positive agricultural trade balance

STRATEGIC TRADE GATEWAY

- 250 miles of coastline on both the Pacific and Atlantic
- 2 international airports, 3 main seaports, 9 aerodromes
- 40.4% of Central America's maritime cargo operations
- FTA with the US; direct gateway to Mexico and the region

STRONG POLICY ALIGNMENT

- Best sovereign credit ratings in the country's history (2025)
- One notch away from investment grade (Fitch, Moody's, S&P)
- Up to 10-year tax holidays under export & free-zone regimes
- National programs (Rutas del Desarrollo, Riego) back rural investment

GUATEMALA: INVESTMENT PORTFOLIO

Unlocking rural transformation by strengthening priority value chains, water resilience, and connectivity in Guatemala's highest-potential territories

INVESTMENT PLAN **GUATEMALA**	INVESTMENT CASE **1. COFFEE, CACAO & CARDAMOM VALUE CHAINS**	INVESTMENT CASE **2. SOILS & WATER FOR THE FUTURE: KEYLINE SYSTEM**	INVESTMENT CASE **3. ENABLING INFRASTRUCTURE: "RUTAS DEL DESARROLLO"**
IMPACT TAGS	IMPACT TAGS	IMPACT TAGS	IMPACT TAGS
INVESTMENT **USD 126 million**	INVESTMENT **USD 52.3 million**	INVESTMENT **USD 2.3 million**	INVESTMENT **USD 71.4 million**
NPV **USD 31.3 million**	NPV **USD 22.1 million**	NPV **USD 1,201.0**	NPV **USD 9.2 million**
AVG IRR **17.9%**	IRR **22.0%**	IRR **12.5%**	IRR **15.0%**
DIRECT BENEFICIARIES **13.0 thousand**	DIRECT BENEFICIARIES **13.0 thousand**	DIRECT BENEFICIARIES **0.7 thousand**	DIRECT BENEFICIARIES **13.0 thousand**
INDIRECT BENEFICIARIES **51.5 thousand**	INDIRECT BENEFICIARIES **51.5 thousand**	INDIRECT BENEFICIARIES **13.0 thousand**	INDIRECT BENEFICIARIES **51.5 thousand**
AVG PER CAPITA INCOME INCREASE **+USD 5,780**	AVG PER CAPITA INCOME INCREASE **+USD 5,780**	AVG PER CAPITA INCOME INCREASE **N.A.**	AVG PER CAPITA INCOME INCREASE **N.A.**
GHG IMPACT **-1.3 million tCO2-e**	GHG IMPACT **-1.3 million tCO2-e**	GHG IMPACT **-2.0 thousand tCO2-e**	GHG IMPACT **+60.2 thousand tCO2-e**

1. COFFEE, CACAO & CARDAMOM VALUE CHAINS

Strengthening productivity, agro-industrial capacity, and market linkages across Guatemala's leading agroexport crops

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT
USD 52.3M
(MILLION)

NPV
USD 22.1M
(MILLION)

IRR
22.0%
(%)

RATIONALE

- World-recognized specialty coffee, high-potential fine-aroma cacao, top cardamom exporter
- Solid existing export base across all three crops, with room to grow
- Agroforestry systems raise yields while building climate resilience
- New value-addition centers unlock access to better markets and prices

KEY BOTTLENECKS

1. Low productivity & weak market linkages

PROPOSED INVESTMENTS(*)

PPP
Inclusive agroproductive development: 37,458 ha of coffee, cacao & cardamom in agroforestry systems, plus clone/cultivar selection centers & nurseries (USD 47.9 million)

PPP
Agro-industrial development & commercialization: 10 value-addition centers, support for associativity & new enterprises (USD 4.4 million)

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES
13.0K
(THOUSAND)

INDIRECT BENEFICIARIES
51.5K
(THOUSAND)

PER CAPITA INCOME INCREASE
+5,780
(USD/PERSON)

GHG IMPACT
FAO EXACT CARBON TOOL
-1.3M
(MILLION tCO_2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

2. SOILS & WATER FOR THE FUTURE: KEYLINE SYSTEM

Building climate-resilient soils and water systems through the Keyline approach in Cahabón and Olopa

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT

USD 2.3M

(MILLION)

NPV

USD 1,201.0

IRR

12.5%

(%)

RATIONALE

- Addresses growing climate variability and soil erosion in priority territories
- Demonstration farms create a scalable, replicable model for smallholders
- Strengthens water availability for agriculture in historically rainfed areas
- Builds lasting local technical capacity through trained facilitator networks

KEY BOTTLENECKS

1. Climate variability & soil erosion

PROPOSED INVESTMENTS(*)

Public

Keyline system implementation: 17 demonstration farms/parcels, capacity building for 325 farmer groups (13,002 producers) (USD 2.3 million)

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES

0.7K

(THOUSAND)

INDIRECT BENEFICIARIES

13.0K

(THOUSAND)

PER CAPITA INCOME INCREASE

N.A.

(USD/PERSON)

GHG IMPACT

FAO EXACT CARBON TOOL

-2.0K

(THOUSAND tCO_2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

3. ENABLING INFRASTRUCTURE: "RUTAS DEL DESARROLLO"

Connecting rural producers to markets through priority road and electrification infrastructure

INVESTMENT PROFILE (INDICATIVE)

INVESTMENT
USD 71.4M
(MILLION)

NPV
USD 9.2M
(MILLION)

IRR
15.0%
(%)

RATIONALE

- Unlocks market access for isolated, high-poverty rural communities
- Complements agricultural investments by cutting transport costs and time
- Extends electrification to support agro-industrial and processing activity
- Directly aligned with the national Rutas del Desarrollo program priorities

KEY BOTTLENECKS

1. Lack of rural infrastructure

PROPOSED INVESTMENTS(*)

Public

Rural roads & paving: 182.9 km of rural roads + 118.2 km of paved roads (301.1 km total) (USD 65.9 million)

Public

Rural electrification: 54.78 km of 69kV transmission lines (USD 5.5 million)

SUSTAINABILITY BENEFITS

DIRECT BENEFICIARIES
13.0K
(THOUSAND)

INDIRECT BENEFICIARIES
51.5K
(THOUSAND)

PER CAPITA INCOME INCREASE
N.A.
(USD/PERSON)

GHG IMPACT
FAO EXACT CARBON TOOL
+60.2K
(THOUSAND tCO_2-e)

Note: (*) Opportunities reflect government priorities identified through the FAO Hand-in-Hand Initiative and require further structuring with relevant public and private stakeholders.

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Click here to see full Investment Note:

Click here to request a bilateral meeting: