

- Canada and Guatemala have negotiated a foreign investment protection agreement that has yet to be signed. The Export Development Corporation (EDC) provides export financing and insurance for Guatemala.
- Guatemala offers many opportunities for Canadian business. The best trade prospects for Canadian exporters are in agricultural and industrial machinery, food processing, electronics, telecommunications, consulting services, energy generation, hospital and medical equipment, and paper products.
- Direct Canadian investment in Guatemala is moderate at \$5 million. This may be spurred by the Guatemalan foreign investment law which came into effect in 1998.

### **Development co-operation**

- The Canadian International Development Agency (CIDA) undertakes initiatives in Guatemala that support Canada's development assistance goals of reducing poverty, improving equality and strengthening democracy.
- The Local Development Project aims to reduce poverty by strengthening agricultural and forestry co-operatives and associations. This \$20.5 million initiative is being implemented by the Société de coopération pour le développement international.
- The Democratic Development Fund supports local democratic development and human rights initiatives in support of the peace process. Canada's \$9-million contribution is being managed by the International Cooperation Studies Centre.
- The UN Human Rights Verification Mission to Guatemala is implementing the Administration of Justice Centre — Saint Eulaila Project. Project funding of \$750,000 will help establish a local justice and mediation centre in a former conflict zone.
- The Socio-Economic Reactivation Project supports strengthening the social and economic infrastructure in selected municipalities of San Marcos, a former conflict zone. The International Cooperation Studies Centre is implementing this \$8-million project.
- The Curriculum Reform Initiative Project aims to improve access of the indigenous population to education through curriculum reform. The project has received \$250,000 in funding and is managed locally.