



# USAID | HONDURAS

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## ABOUT HONDURAS

- Area: 112,492 sq. km. (43,425 sq. mi.); about the size of Louisiana
- Population: 7,028,400 \*
- Government: Democratic constitutional republic
- Capital City: Tegucigalpa, population: 879,200 \*
- Language: Spanish
- Climate: Tropical to subtropical, depending on elevation
- Gross Domestic Product: US\$18.79 billion\* (Estimate)
- Per capita GDP: US\$2800\*
- Natural Resources: Forests, arable land, minerals, and fisheries

\* End of 2004 figures

Honduras features hundreds of miles of white sand beaches along its Caribbean coastline and the reef-rich Bay Islands just off shore. Honduras' mountainous interior includes one of Central America's largest unspoiled tropical rain forest in the Mosquitia region, and the archeological site at Copán is among the region's most impressive displays of ancient Mayan culture.

While Honduras is little affected by the earthquakes that plague other Central American nations, the country's biggest natural threat comes during the tropical storm season from hurricanes and frequent flooding caused by heavy rains along the north coast. Honduras was the hardest hit of the Central American nations when Hurricane Mitch ravaged the region in October 1998.



In January 2006, José Manuel Zelaya Rosales was sworn in as president of Honduras, continuing the democratic tradition established in the early 1980s when decades of military rule ended. Since winning its independence from Spain in 1821, Honduras has been plagued by nearly 300 internal rebellions, civil wars, and changes of government - more than half occurring during the 20th Century.

At the end of 2003, Honduras had a population of roughly million and an annual population growth rate of 2.5 percent. The Roman Catholic Church is dominant, although Protestant churches have become more popular in recent years. Spanish is the national language, although indigenous languages are still spoken in isolated pockets along the northern coast and in the heavily forested highlands, where groups of Lenca, Miskito, Pech, Chorti and Garifuna peoples maintain a degree of cultural autonomy.

Major industries include sugar, coffee, bananas, textiles, shrimp, and wood products. The most abundant natural resources are timber, gold, silver, copper, lead, zinc, antimony, coal, and fish. The United States is by far Honduras' most important trade partner, accounting for 50 percent of Honduran exports and 41 percent of Honduran imports. The ratification of the Central American-Dominican Republic Free Trade Agreement with the United States in 2005 is expected to increase foreign investment, exports, and employment in Honduras.



With a Gross Domestic Product of about \$6.6 billion (an average of \$962 per capita), Honduras is one of the poorest and least developed countries in Latin America. In 2001, the International Monetary Fund (IMF) and the World Bank approved Honduras' Poverty Reduction Strategy Paper. With Hurricane Mitch reconstruction largely finalized and most macroeconomic targets met, the IMF, in February 2003, approved a three-year US\$107.6 million Poverty Reduction and Growth Facility (PRGF) agreement for Honduras to support the government's economic program. The approval of this agreement has allowed Honduras to receive around \$324.3 million during 2004 and \$186.6 million during 2005 in new disbursements from other international financial institutions and bilateral donors, and paved the way for multilateral debt relief of approximately \$1.1 billion over the next fifteen years. It is expected that the debt relief will contribute to greater investment and economic growth.