

# T&C

## Snapshots

### Data Note

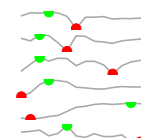


## Honduras

| GDP (US\$ billions) (2017) | Population (millions) (2017) | Land area (sq. km) (2014) | Income per capita (current US\$) (2017) | Poverty rate (2013) [1] | Unemployment rate (2014) | Ease of Doing Business Rank (2016) |
|----------------------------|------------------------------|---------------------------|---|-------------------------|--------------------------|------------------------------------|
| 22.4                       | 8.3                          | 111,890.0                 | 2,694.3                                 | 18.9                    | 3.9                      | 110.0                              |

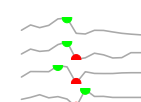
### Macro Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %)                       | 4.1           | 2.8   | 3.1   | 3.0   | 3.3   | 3.5   |
| Current account balance                     | -6.9          | -9.5  | -7.7  | -7.0  | -6.3  | -5.3  |
| Fiscal balance (% of GDP)                   | -3.3          | -7.7  | -4.5  | -3.0  | -2.4  | -2.2  |
| Remittances, received (% of GDP) [1]        | 17.1          | 16.8  | 17.4  | —     | —     | —     |
| Real Effective Exchange Rate (2010=100)     | 90.5          | 102.6 | 103.6 | 104.9 | 103.5 | 104.8 |
| Consumer Price Index, annual percent change | 7.3           | 5.2   | 6.1   | 2.2   | 2.2   | 2.2   |



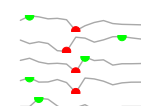
### Investment indicators

|   | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP)                               | 24.0          | 21.0 | 20.1 | 19.5 | 19.1 | 18.6 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 27.4          | 21.8 | 22.1 | —    | —    | —    |
| Inward FDI (% of GDP) [2]                                       | 5.7           | 5.7  | 5.8  | —    | —    | —    |
| Inward FDI, % of private investment [2]                         | 22.1          | NA   | —    | —    | —    | —    |



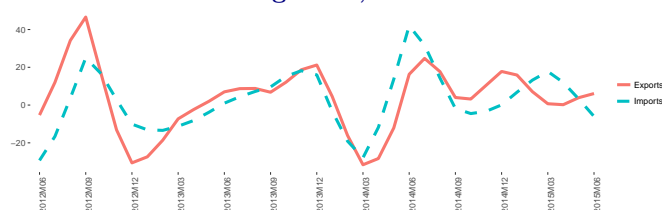
### Trade Indicators

|   | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms)        | 127.8         | 123.2 | 121.3 | 120.8 | 120.2 | 120.6 |
| Trade balance (% GDP, real terms)                               | -12.2         | -7.8  | -7.6  | -8.7  | -9.5  | -9.4  |
| Exports, Goods and Services, annual percent change (real terms) | 5.3           | -1.3  | 1.6   | 1.6   | 2.0   | 4.0   |
| Imports, Goods and Services, annual percent change (real terms) | 5.2           | -4.1  | 1.4   | 3.4   | 3.5   | 3.7   |
| Total reserves in months of imports [1]                         | 3.6           | 3.2   | —     | —     | —     | —     |



Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



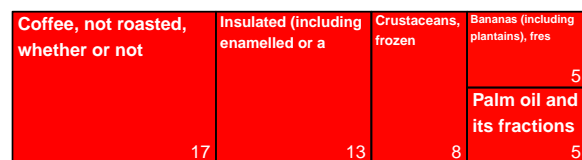
Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)

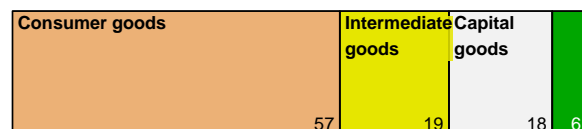


Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014



### Imports Categories by % of Total Value, 2014



Source: World Integrated Trade Solution (WITS)

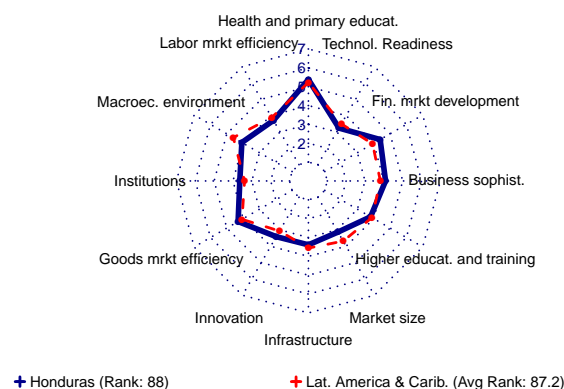
### Doing Business 2015 Distance to Frontier (DTF) and Rank

|                                   | DTF          |              |             | Rank       |            |          |
|-----------------------------------|--------------|--------------|-------------|------------|------------|----------|
|                                   | 2015         | 2016         | Change      | 2015       | 2016       | Change   |
| <b>Ease of Doing Business</b>     | <b>56.95</b> | <b>58.06</b> | <b>1.11</b> | <b>115</b> | <b>110</b> | <b>5</b> |
| Dealing with Construction Permits | 68.69        | 69.24        | 0.55        | 87         | 87         | 0        |
| Enforcing Contracts               | 45.54        | 45.54        | 0           | 150        | 150        | 0        |
| Getting Credit                    | 85           | 85           | 0           | 6          | 7          | -1       |
| Getting Electricity               | 53.22        | 53.39        | 0.17        | 143        | 143        | 0        |
| Paying Taxes                      | 58.55        | 57.28        | -1.27       | 149        | 155        | -6       |
| Protecting Minority Investors     | 31.67        | 43.33        | 11.66       | 177        | 134        | 43       |
| Registering Property              | 64.23        | 64.24        | 0.01        | 85         | 88         | -3       |
| Resolving Insolvency              | 31.83        | 31.67        | -0.16       | 139        | 139        | 0        |
| Starting a Business               | 74.84        | 74.92        | 0.08        | 139        | 150        | -11      |
| Trading Across Borders            | 55.98        | 55.98        | 0           | 135        | 136        | -1       |

Source: Doing Business Report 2015

## WEF Competitiveness Indicators

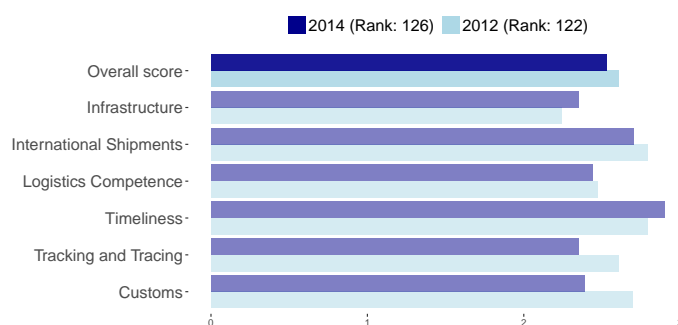
(Scale 1-7, 7=best)



Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index

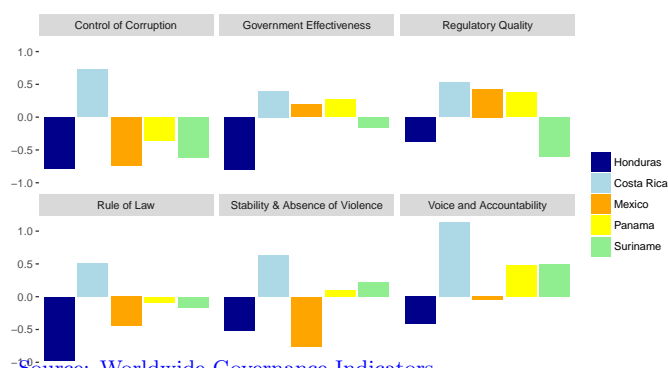
(Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators

(Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

|  | 2010 | 2014 |
|--|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 6.5  | —    |
| Binding (%)  | 100  | —    |
| Dispersion (Standard Deviation)                    | 7.9  | —    |
| Import duties collected (%; 2010-2012) [1]         | —    | 1.5  |
| MFN Tariff (Agriculture)                           | 10.5 | —    |
| MFN Tariff (Non-Agriculture)                       | 4.7  | —    |
| MFN Tariff (Simple Average)                        | 5.6  | —    |
| Services sectors with GATS commitments [1]         | —    | 25   |

Sources: WITS, [1] WTO Trade Profiles

## Private Sector View

### Enterprise Survey 2010

|   | Latin America and Caribbean | Honduras | All Countries |
|---|-----------------------------|----------|---------------|
| Number of electrical outages in a typical month   | 2.80                        | 2.30     | 6.30          |
| Percent of firms with a bank loan/line of credit  | 45.80                       | 31.20    | 34.30         |
| Proportion of investment financed by banks (%)  | 19.90                       | 12.60    | 14.30         |
| Proportion of investment financed internally (%)  | 62.90                       | 63.00    | 71.80         |
| Senior management time spent dealing with the requirements of government regulation (%) | 14.00                       | 17.00    | 9.90          |

Source: Enterprise Survey 2010

### Top 5 constraints according to ES 2010

(% respondents)



Source: Enterprise Survey 2010

### Top 5 constraints according to WEF 2015 survey

(% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015



# T&C Snapshots Operations Note



# Honduras

## SCD/CPF

## Most Recent

| Product   | Document | Date       |
|---|----------|------------|
| Honduras - Unlocking economic potential for greater opportunities   |          | 2015-11-19 |
| Honduras - Country partnership framework for the period FY16 - FY20 |          | 2015-12-22 |

## Planned

| Product | Concept Review Date | Board Date |
|---------|---------------------|------------|
| None    |                     |            |

## WB Lending Pipeline

[illegible]

## WB Portfolio

## Active

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Undisbursed Balance (US\$M) | Project Rating DO | Project Rating IP | Overall Risk | Months in Problem Status |
|------------|--------------|-------------|---------------|--------------------|--------------|--------------------|-----------------------------|-------------------|-------------------|--------------|--------------------------|
| None       |              |             |               |                    |              |                    |                             |                   |                   |              |                          |

Closed

[illegible]

WB ASA

Active

| Task ID | Task Name | Team Leader | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------|-------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| None    |           |             |                       |                      |              |           |                                |                                   |                                 |                                    |

Closed

| Task ID | Task Name | Team Leader | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|-----------|-------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| None    |           |             |                       |                      |              |           |                                |                                   |                                 |                                    |

IFC ASA

Active

| Project ID | Project Name                          | Team Leader                       | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---------------------------------------|-----------------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 577188     | Honduras Agribussines Trade Logistics | Alfaro De Moran, Mayra Del Carmen | 2011-04-06       | 2013-09-30        | 774                       | 782                           | 0                                 |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None       |              |             |                  |                   |                           |                               |                                   |

Closed

| Project ID | Project Name  | Team Leader             | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---|-------------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 558268     | Honduras Technical Assistance Program   | Shiels, Damien          | 2007-06-26       | 2008-06-30        | 46                        | 54                            | 0                                 |
| 549645     | National Plan for Municipal Simplification in Honduras                        | Martin-Montero, Ernesto | 2007-05-19       | 2012-07-31        | 599                       | 628                           | 0                                 |
| 538823     | Review of the draft Competition Law   | Sader, Frank            | 2005-08-22       | —                 | 0                         | 0                             | 0                                 |
| 537751     | Implementation Of Skills Reform to Strengthen the Competitiveness of Honduras | Batra, Geeta            | 2005-08-18       | —                 | 0                         | 0                             | 0                                 |
| 538386     | BEE Honduras: Simplification of Business Procedures at the Municipal Level    | Rada, Kristtian         | 2005-08-11       | 2007-07-11        | 387                       | 385                           | 0                                 |
| 538781     | FDI & Labor Skills Training   | Batra, Geeta            | 2005-08-10       | —                 | 0                         | 0                             | 0                                 |