

HONDURAS



Population: 6.8 million

Life expectancy at birth: 66

Adult illiteracy rate: 23.8%

Adult HIV/AIDS prevalence rate: 1.92%

53% of population lives below the national poverty line

Telephones per 1,000 people: 96.9

Personal computers per 1,000 people:

Present value of debt (US\$): 5.1 billion

Debt Service (% of exports of goods and services): 12.3

Source: World Development Indicators, 2004

Status of Debt in Honduras

- Honduras reached the decision point of HIPC in 2000 and has received US\$1.6 billion in debt relief.
- Progress toward the completion point was stalled by resistance to IMF structural adjustment requirements, such as privatization of Honduras' telecommunications and electricity companies, which currently generate a profit. Privatizing the companies would cost the Honduran government \$5 billion. Honduras is not expected to complete HIPC and receive debt relief until April 2005.
- Honduras' debt is currently rated as sustainable by the World Bank. From 2005 the overall debt level will be higher because of the HIPC assistance. Honduras is paying a total of \$343.6 million through 2001-2002. With a poverty stricken population, they are paying more on debt service than on the health of their people, while there are only 83 doctors per 100,000 people and 30 percent of their population doesn't have access to clean water.

Sources: World Development Indicators, April 2004; CIA World Factbook; HIPC Progress Report from Jubilee Research

United States Developmental Assistance:

2002 Actual: \$ 36.431 million

2003 Actual: \$ 48.153 million

2004 Current: \$ 37.550 million

2005 Request: \$ 42.618 million

Source: Program Summary tables, USAID

