

HONDURAS



Publisher: IGM INVESTMENTS.
General Director: Margarita Fernández, Business Journalist: Erika Gómez, Sales Gabriela León, Editorial: Ximena Larrain. Acknowledgements: Ministry of Tourism.

IGM INVESTMENTS INDEPENDENT SUPPLEMENT FOR MIAMI HERALD
www.igminvestments.com

A COUNTRY TO DISCOVER

Located in the center of the Central American isthmus, the Republic of Honduras is the second largest country in the area. It is the most mountainous country in Central America, with two thirds of the territory above 300 meters of altitude. The forest area represents 48% of the territory. There are 91 protected areas with a total of 5.1 million hectares of which 61% are land and 39.1% are marine areas. Honduras has two main economic development centers, these are the Departments of Francisco Morazán and Cortés, where most of the country's industry and services are concentrated. The free zone of Puerto Cortés, in the north of the country, and around San Pedro Sula, concentrates more than 60% of the Honduran GDP and 80% of the maquila activity.. The other industrial focus, although of less activity, is the capital Tegucigalpa. Additionally, the areas of the coastal plains have a marked agricultural character (banana, African palm), and the central regions concentrate the coffee production.

Honduras has multiple strengths and the potential for faster growth and greater shared prosperity, with its strategic location, a growing industrial base, ongoing efforts to diversify its exports, and a young and growing population.

In recent years, Honduras had recorded the second highest economic growth rates in Central America, surpassed only by Panama. The country's GDP growth reached 4.8 percent in 2017, 3.7 percent in 2018 and 2.7 percent in 2019, above the average in Central America and well above the average in Latin America and the Caribbean (LAC). However, due to the impact of the Covid-19 pandemic, the Honduran economy is expected to contract to -2.3 percent in 2020 and grow by 3.9 percent in 2021.

Regarding the monetary policy, the Central Bank of Honduras (BCH) decided to reduce its monetary policy rate by 0.25 percent to 5.25 percent, in addition to reducing by 2 percentage points the obligatory investments to cover the legal reserve in national currency on the part of the banks.

It also announced new interest rates for investment facilities and other activities. The measures as a whole will free up 2.1 billion lempiras, in which banks can use them for loans in order to boost the national economy.

Furthermore, the volume of the Foreign Direct Investment (FDI) in Honduras is still moderate and the annual figures are very variable, depending much on specific investment operations. The main investing countries are Panama, USA, Mexico and Guatemala. The net income of the Foreign Direct Investment (FDI) received by the Honduran economy to the third quarter of 2019 totaled \$183.9 million dollars, 390.4 million less than the same period in 2018 and 630.6 million below than in 2017, according to the BCH.

This value is composed predominantly by the profitability of financial system institutions with foreign participation, followed by subsidiaries in the activities of electricity, gas and water, and the industry of goods for processing (maquila).

However, the reinvestment of profits registered a positive flow with 437.2 million dollars, a year-on-year increase of 25.5 million (6.2%).

Regarding the Honduran foreign debt, it reached 9,737.4 million



FINANCE p.2

A VISIONARY ECONOMY

ENERGY p.3

XXI CENTURY ENERGY AND SERVICES

EDUCATION p.3

FIRST LEVEL EDUCATION

INDUSTRY p.4

AN INDUSTRY AND SERVICES DEVELOPED

TOURISM p.5

THE JEWEL OF CENTRAL AMERICA

INFRAESTRUCTURE p.7

A COUNTRY TO BUILD

www.latribuna.hn

La Tribuna

Liderando el periodismo en Honduras



dollars in the first quarter of 2020, which represents a 7.8% increase compared to the same period in 2019 and is equivalent to 29.8% of the gross domestic product (GDP), according to the BCH.

Volatile economic growth and high inequality have created the conditions for the emergence of two mutually reinforcing cycles in the country: (i) a cycle of high violence and low growth; and (ii) a cycle of high migration/remittance reception and low growth. These cycles continue to affect the potential growth of the economy and economic opportunities for Hondurans. These combined dynamics act as push factors for migration. The main triggers of migration for many people in Honduras continue to be the search for economic opportunity, crime and violence, and family reintegration.

Recent progress in increasing competitiveness in rural economic development and strengthening social protection in Honduras can also improve the country's human capital performance and foster more economic and employment opportunities for the most vulnerable.

In 2019, Honduras obtained 52.63 points in the Competitiveness Index, published by the World Economic Forum. Its score has improved compared to the report of the previous year in which it obtained 52.46 points. This value places Honduras at number 101, which means it has a rather poor

level of world competitiveness when compared to the rest of the 141 countries in the ranking.

Whit regard to the 2019 social conflicts: "Part of what has happened in Honduras is the uncertainty due to the climate of doubt and lack of confidence since the political crisis hit the country. Society became polarized. This, however, is not only happening in Honduras, it is something that happens in many countries where their societies are also very divided and even confronted", says Carlos Roberto Facussé, Owner of La Tribuna newspaper.

La Tribuna is the leading newspaper in Tegucigalpa, considered the most influential newspaper in the Honduran public opinion.

Facussé and his father, a writer, intellectual and well-known politician expatriated by the dictatorship, inaugurated this first offset newspaper with national circulation but published in the capital. The newspaper in San Pedro Sula is called El País and has been circulating for a year and a half.

Facussé adds: "Society today is tremendously uninformed because what they receive is something manipulated and distorted, they share and transmit 'fake news' which is not information but disinformation. It is because of this altered system of access to information that people's perception of reality is changed and contaminated", concludes.

FACT FILE

Name: Republic of Honduras

Form of government: Presidential Republic with unicameral Parliament

Currency: Lempira

Surface area: 112.492 km²

Limits: Located in the center of the Central American region, it borders on the west with Guatemala (340 Kms) and El Salvador (356.5 Kms), on the north with the Caribbean Sea (650 Kms), on the east with Nicaragua (575 Kms) and to the south with the Pacific Ocean (65 Kms).

Official languages: Spanish

Religion: The majority of the population professes the Catholic religion (47%) Evangelical churches, especially from the United States and South America, are increasing their presence in the country (41% of the population).

Total population: 9 296 001 hab.2 (junio 2020)

A VISIONARY ECONOMY



Martha Bonilla
Gerente General
Seguros Banrural

Within the Honduran financial sector, remittances have a fundamental role. In 2019, remittances sent to Honduras totaled \$ 5,562.2 million (22.1% of GDP), showing a year-on-year growth of 13.1 percent (\$ 645.2 million) compared to the previous year (\$ 4,917.0 million).

"The financial sector is quite solid, it is one of the largest employers and it has very good qualified personnel, thus promoting that regional groups come to open operations. The latest monetary policy issued by the Central Bank is giving greater freedom in regards to the active and passive interest rates, on the other hand, it is making a release of funds from the bank reserve that is mandatory. It is a scheduled release, thereby at the end of the year they will have enough funds to give investment credits to small, medium and large companies", says Martha Bonilla, General Manager of Seguros Banrural.

Bonilla has been working in the insurance sector for 27 years.

In 2002-2003 she was the first female manager of an insurance company. In 2006, she was the first woman president of the Honduran Chamber of Insurers. Later she became part of the National Commission of Banks and Insurance where she was the first woman superintendent of insurance and pensions. She worked in the renowned Q Group of El Salvador. And finally the opportunity to join Banrural was presented.

According to the BCH, private banking profits grew 16% in 2019. Banrural is one of the key players in this sector, it arrived in Honduras in October 2014 through the acquisition of Banco Procrédito.

Banrural and the insurer are effectively advanced. Nationally, the insurance sector grew by 0.8 percent, according to the ranking corresponding to the end of December 2019.

In 2019 the assets of Seguros Banrural reached 3,335 million Lempiras where 80% are investments in securities of the financial system and the Central Bank. It was also ranked 8th among insurers in the country and as of December 31 obtained USD 1,400,000 in profits.

Seguros Banrural's vision is to be the leading company in the country's rural sector. Currently, the number of policies in that area is 64%.

Banrural is characterized by innovation, and offers the following: Insurance for migrants, "Safe passenger", insurance for students, insurance aimed at women regarding the prevention of breast, stomach and colon cancer. In Honduras, Banrural has 85 agencies nationwide and insurance is managed through these agencies, achieving the coverage of the rural area.



Protects the family and heritage of our Honduran migrants



www.segurosbanrural.com

XXI CENTURY ENERGY AND SERVICES



Ricardo Roa
Gerente General
Empresa De Energia De Honduras

The energy sector in Honduras is of great importance for development from an economic and social point of view, and for the operation of productive activities.

The advantages that make the sector competitive are: The availability of abundant renewable resources to generate electricity; Legal framework of the electricity subsector open to national and foreign investment; Legal guarantees and competitive tax incentives; Elimination of barriers to regional trade; Strengthening of regional institutions and regulations; National and regional infrastructure; Simplification of administrative procedures for the establishment of companies.

"In recent years, the sector has been undergoing important and necessary reforms to strengthen institutions such as, the Electric Power Commission, the Secretary of Energy and the supervisory body of a project like ours, which is framed in the constitution of a Public-Private Alliance (PPA)", indicates Ricardo Roa, General Manager of the Empresa Energía Honduras (EEH).

The EEH was born as a result of the establishment of a consortium that brings together more than 40 years of experience in operations

in Mexico, Panama, Guatemala, Colombia and Chile. It was selected through international tender as operator investor of the National Distribution System, through a Private Public Alliance contract with the Government of Honduras, signed on February 18, 2016.

This contract is a major investment line valued at USD 358 million with the purpose of reducing the level of energy losses by 17% in 7 years. In 3 years of execution there have been important achievements.

"This is a company of Colombian origin and capital. We have come with the sole interest of allowing the development and growth of the electricity sector and we have made great progress, first in the registration and physical survey of the assets of the grid distribution system, substations and structures. The km of medium voltage network that were received, today are multiplied by 4. We have already cleaned the data and for the first time the Energy State has its own, strong and solid commercial information system with a significant level of development with billions of user data that is duly registered and billed today", says Roa.

The EEH had a collection target of 98%, something quite rigorous, which they have exceeded reaching 98.77%, meaning that the default is controlled.

As of December 2019, the company billed USD 110 million and there was a collection growth of 67% in the three years of management.

Roa indicates that there is openness to alliances, because for the next four years there is an investment goal close to USD 250 million to undertake and fulfill the referential investment plan that they have proposed to the country in the framework of this process of control and loss of energy. There is a very good investment opportunity in the public lighting system, protection, control of electrical networks and in general with all the elements associated with the connection of users.



2,863 direct and indirect employees

13,952 electric poles installed

587,831 electric meters installed

100.74M USD invested in the reduction of electric power distribution losses and electric commercialization.

*Data up to February, 2020



Committed with HONDURAS

For more information follow us on our social media accounts

[f @energiahonduras](#) | [@eenergiahonduras](#)

www.eeh.hn

FIRST LEVEL EDUCATION

As part of the existing challenges, the Honduran Higher Education Institutions prepared their 2014-2023 Strategic Development Plan, in which participated the 20 public and private institutions that exist in the country. Among the priority implementation objectives, the following stand out: increasing coverage and academic offer in undergraduate and postgraduate courses; promote research and create the Honduran Accreditation System for the Quality of Higher Education.

According to Jeffrey Lansdale, Dean of the Universidad Zamorano, the most significant challenge for Honduras is population growth, particularly in vulnerable sectors. In the last 35 years the population has increased from 4 million to 9 million and a large percentage are young.

"It has been possible to expand coverage in education, for different reasons and due to the country's commitment. It has also had the support of international cooperation through an initiative called EFA, which it should be able to offer quality education to the primary education population, however, it is complicated to ensure quality", indicates Lansdale.

The increase in population implies having more young people in classrooms without necessarily increasing the number of teachers,



Gustavo Alonso Lanza
Rector
Universidad Politécnica De Honduras

risen, but it must rise even more. At the university level there are other problems, young people are not very prepared, so the average time to complete undergraduate studies, which must be 4 years, is 13 years in the autonomous school. "This happens due to several factors and it means there are students for life", concludes Lansdale.

Universidad Zamorano started as a Pan American Agricultural School. The purpose of the founder, Samuel Zemurray, was to establish an educational center for the agricultural sector, in order to prepare a practical methodology based on learning by doing, aimed at future leaders in the agro-industrial sector.

Academic rigor, learning by doing, Pan-Americanism and a lifestyle are the 4 pillars of the university, because everyone lives on that campus under a regime of high



Fernando Gradiz
Rector
Universidad Tecnológica De Honduras

in hand with development. It is necessary to focus our academic offer towards the interests of the country, in innovative careers such as, renewable energy or the environment, and also in the training of technicians", indicates Gustavo Alonso Lanza, Dean of the Universidad Politécnica de Honduras (UPH).

Lanza indicates that the UPH's tendency is to create technical oriented careers and centers. Also, they are preparing people to train in virtual education and instructing personnel to become research experts.

The modality of its system is known as 80/20, it means 80 student participation and 20 teacher participation.

There are 10 careers that they hope to open and consolidate this year, such as the master's degree in human rights, big data technician, bilingual technician, administrative assistant, among others.

For UPH it is important to take university education where there is no access. It currently has two branches where there are no other universities, one is in La Lima, Cortés and the other in La Paz, Department of La Paz.



Jeffrey Lansdale
Rector
Universidad Zamorano

are not prepared to reach it. They have many shortcomings in reading comprehension and analysis. A genuine reform must be made in the middle education system", indicates Fernando Gradiz, Dean from the Universidad Tecnológica De Honduras (UTH).

Gradiz says that much progress is being made in higher education. Specifically, UTH is the largest private university in the country with 10 campuses nationwide and 20,000 students. Its campuses are in the north, east, south and west part of the country.

One of the main characteristics of the UTH is that its teaching system is standardized to guarantee the same quality in the different campuses, training teachers and offering students a promising professional future with the high-value education they have beentaught. .

Its three fundamental pillars are: Entrepreneurship, innovation and technology. "We have reached the 4th industrial revolution and we are ready to accompany these advances", says Gradiz.

"UTH Avanza" is an innovation and entrepreneurship center where, regardless of the degree studied, entrepreneurship must be

"A balance must be sought between coverage and the quality of education provided in a country"

primary school. Dropout rates are in the third cycle, meaning that from achieving 94% of enrolled this falls to 50%. And then when it reaches half it is 25%, and it must be considered that 20 years ago only 1% of the population went to the university, that percentage has

discipline. "There are 8998 graduates to date. Any other university can have much more, but we Zamorans know what we are doing", says Lansdale.

Zamorano University has excellent relations with agricultural universities in the USA, due to the impact that their graduate students have had there during four months of internships.

"Part of the job is to identify and bring to Zamorano young Hondurans, as well as, from other neighboring countries, especially from the most rural and poorest places, to boys who made an effort in primary and secondary school to have the minimum educational base", says Lansdale.

Lansdale adds: "These young people are candidates to emigrate to the US, so we are not only impacting migration, but after they leave Zamorano they become successful entrepreneurs."

The vision for the university in the short term is to launch graduate programs. It currently have a Master's degree in Sustainable Tropical Agriculture, which was carried out with the support of the Japan Nippon Foundation. Whit EAFIT it is working on a master's degree in agribusiness, and in the same subject is collaborating with INCAE in Costa Rica. On the subject of coffee, they will have the international support of Italy.

"We also have a strong program for human nutrition. We are offering an 8-month online diploma to train the country's future nutritionists", concludes Lansdale.

"Education in a country is very important because it goes hand

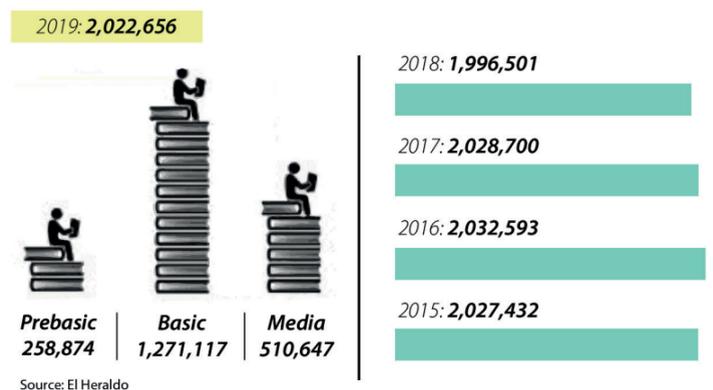


which is why the quality of education is put aside.

"Lansdale adds that it has been possible to expand coverage, 94% of 7-year-olds are enrolled and it is a great achievement, and 89% finish primary school, it is a good number nonetheless, the problem is the quality of the education. During the last 12 years there have been national evaluations in the subjects of spanish and mathematics; They started from 1st to 6th grade. Young people manage to learn to read and write with good grades, in mathematics they reach 60 and 70 out of 100 during the first year, which is quite easy, but as the grade increases the national average drops to 33/100", says Lansdale.

The problem is serious for the country and neighboring countries, since school dropout occurs more prominently in the third cycle, after

Student enrollment



"The differentiating factor as a University is that we have a personal relationship with the students, we grant a discount to the elderly, we do not discriminate or exclude. We have deaf graduates, thanks to the support of institutions that work with people with different abilities", says Lanza.

Currently the university has a strategic alliance with the Gerardo Barrios University of San Miguel from El Salvador. They are also about to sign a cooperation with the College of Chemical Engineers. The university have more projects in their sights such as, the signing of a strategic alliance with the company "Promueve", which has virtual simulators that help in industrial production and business management.

"Universities of higher education have a great challenge, but far from this, middle education is the one that deserves more attention because we receive students who

generated. The target of UTH are people who work and study at the same time, its objective is to give these people access to university and to support them.

The university has a sister company called UTH Florida, located in Florida, USA. Is a university where the study modality can be online so those who have left undocumented can have access, and later they are very likely to return to the country and have an instrument to work.

This is how UTH Florida was created and founded in 2015, the State of Florida endorses the title and currently the second class is about to graduate. They academic offer includes: Bachelor of Business Administration, Marketing and Master of Finance and Business Administration.

"What we want to do with the US is to maintain alliances with prestigious universities", says Gradiz.



Campus Universidad Zamorano



Hermes Oseguera
Gerente General
Labhospy

analysis, also for its service, for technological innovation and clearly for quality and knowledge. "The objective of this year is to accredit us with this specific standard of clinical laboratories, ISO 15189: 2012, which assesses technical and human competence. We would be the first laboratory in the country to have this certification that guarantees us with a better image and confidence at the international level and that is a reflection of our commitment to customer service", concludes Ferrera.

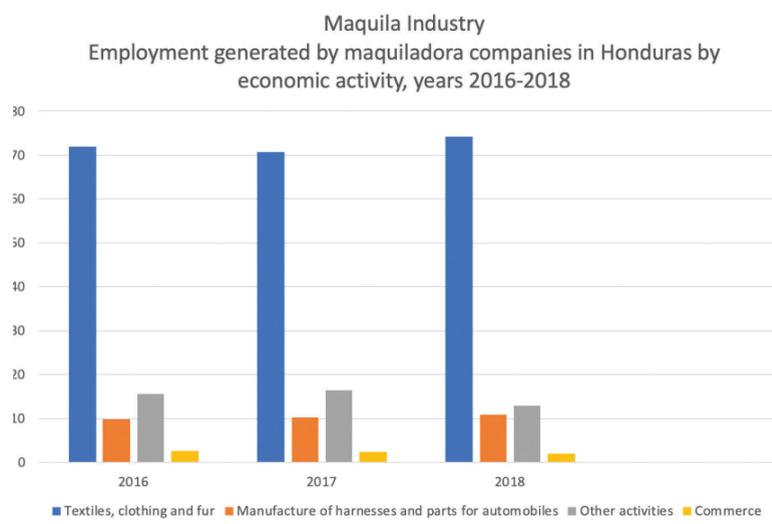
The service sector plays an important role in the development of the country, since it contributes an important percentage to the annual GDP of Honduras. Business services such as legal advice, consulting, among other activities, generate and bring with them not only employment and money, but also it is linked to the country's socioeconomic development and its position in the international market thanks to the work and recognition of companies such as the Medrano Law Firm.

The firm was created by my father in 1971 when he retired from the management of the Central Bank of Honduras, he was the first manager of that entity...We lost my father in 1983 and since then I have had to take over", says Arturo Medrano, General Manager of the Medrano Law Firm.

"The agricultural sector is the most important generator of production, income, exports and employment of the Honduran economy"

belongs to the Association of Clinical Laboratories of Latin America (ALADIL), it represent Honduras, and it was chosen for being a laboratory that has advanced and reached levels of development in record time with quality standards, providing quality services with warmth and ethics to its clients. LCM's vision is to be recognized nationally and internationally as a benchmark in clinical and molecular

This Law Firm provides all kinds of legal advice, but specializes in offering services in the corporate, commercial, financial and insurance areas.



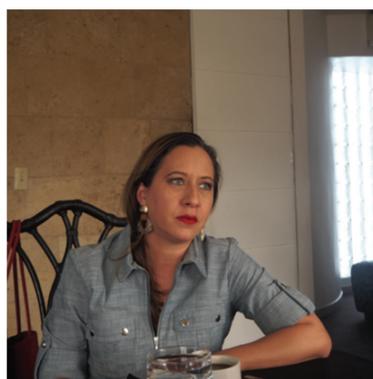
Source: Prepared by the INE with information from the Central Bank of Honduras (BCH).

Bufete Medrano serves national and international clients and has long represented European firms. It also collaborates with companies in the Caribbean working in industrial property and technology transfer. "We have a very solid reputation for our quality of work and the ethical management of all our activity. We offer a loyal, honest relationship and so far that has been our emblem and our banner of struggle", says Medrano. Medrano indicates that as a Law Firm they are always open to new clients and to provide commercial, corporate and other

support. They collaborate with their clients in their daily activities and in the creation/development of companies, which is the most important orientation they have for them, to invest for the benefit of Honduras. Not only to local investors but also to foreign investors, they give them support to contribute to the economic development of the country. "We have strategic alliances with a North Carolina law firm, we constantly receive requests for support for some activities. We collaborate with many clients in the US", concludes Medrano.

THE JEWEL OF CENTRAL AMERICA

In Honduras, the tourism sector contributes significantly to the country's economy, constituting 6.5% of the Gross Domestic Product (GDP) and generating more than 208 thousand jobs per year. One of the key sectors of Honduras for 2020 is tourism, since this industry has the potential to generate 255,000 additional jobs, capture one million extra visits and double exports. In 2019, some USD900 million (L 22,329 million) in foreign currency and more than 250,000 jobs were generated in the tourism sector. Of the total of 6.6 million foreigners who entered Honduras in the last five years, there are about 1.9 million Salvadorans, more than 1.4 million Americans, more than 1.1 million Guatemalans, around 1.1 million Nicaraguans and some 163 thousand Canadians. The rest of the people declared to enter the country corresponds to citizens of South America, Europe



Nicole Marrder
Minister
Instituto Hondureño De Turismo

of the most beautiful places in Honduras, it is an archipelago with crystal clear water beaches and full of marine biological reserves of importance to this country. On the other hand, the Copán Ruins are part of the most important archaeological sites in Honduras of the ancient Mayan civilization. The 4,500 structures were declared a World Heritage Site by Unesco in 1980. The list of tourist attractions could continue, visiting La Ceiba, Puerto

that is the American. There is a lot of growth potential in these three products. The product of Honduras at the nature level has a lot to offer", indicates Nicole Marrder, Minister of the Honduran Institute of Tourism. Among the significant changes for tourism, Marrder mentions the expansion of the Roatán airport and the opening of the Palmerola airport. Marrder also indicates that Honduras should be a destination for an investor, especially in the area of air connectivity, which is where they are currently most deficient. Honduras has the potential for tourism to be the main economic area in the future, but it must have the appropriate bases so that its growth is done organically, fulfilling the proposed goals. "Tourism in Honduras is still a young industry that is in a growth and training stage, it has great potential for development in many sectors and destinations", says Marrder. Something that also represents an investment opportunity is the hotel industry. Minister Business Hotel and Minister Suites in Tegucigalpa are a great example of local inversion. One of the hotel is located in Lomas del Guijarro neighborhood and the other one is located in Boulevard Suyapa. Norma Marrder, owner and General Manager of both, indicates that



Norma de Marrder
General Manager
Minister Business Hotel

they are currently integrating a business center into the Minister group, which will be called the Minister Business Club. "My mother is the winner of the Copan award, a recognition that is made once a year to a person and a company. She was the founder of the Small Hotels Association of Honduras and the Central American Federation of Small Hotels, she was twice President of HOPEH, and she has been a pillar of growth of the concept of small hotels", says Nicole Marrder. For her part, Nicole, following her mother steps, was President of the Small Hotel Association on two occasions. Secretary of the Chamber of Tourism, President of the Central American Federation of Small Hotels, President of the Inter-American Network of Small Hotels and Vice President of Canatur.

"Culture, delicious food and unforgettable places are the offer that Honduras has for you"

and Asia, and to a lesser extent Oceania and Africa. In Honduras you can enjoy the wonderful beaches on the Bay Islands, visit beautiful tourist sites and forests where you will reconnect with nature, such as the La Tigra, Pico Bonito, Cerro Azul, Celaque national parks, and others. Among the most recommended destinations is Roatan, which in addition to its magnificent beaches, has the second largest coral reef in the world, as well as the combination of African and indigenous cultures. Cayos Cochinos for its part is one

Cortés, between others, but it is also important to mention that Honduras is a country full of culture and tradition and in this context possess places such as the Fortress of Santa Bárbara, the Carpets of Comayagua, Museum for Identity National, among others. Honduras has had a sustained growth through the years with the arrival of cruises, however, the nature that the country offers is an area that has not yet been developed by the tourist industry and has enormous potential. "Through eco-tourism, agro-tourism and board watching we can reach a very interesting market



Source: INGUAT, 2019

ECUADOR & THE GALAPAGOS ISLANDS

An incredible adventure awaits aboard our expedition vessels!

Ask us about our adventure package deals in the Galapagos Islands, a secluded destination!

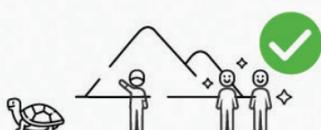


Health and Safety



Our operations feature the most thorough health and safety protocols.

Isolated Destination



Here, you'll encounter endemic fauna and impressive landscapes, not crowds!

Best Prices



We have the right deal for every traveler.

Galapagos Experts



No one knows more about Ecuador and the Galapagos Islands than we do.

Interested? Your journey starts here!



METROJOURNEYS.COM

A COUNTRY TO BUILD

The government invested in past years more than US \$ 240 million in the construction of roads, air and maritime projects, making Honduras one of the countries that has most improved its regional competitiveness by connecting the Atlantic ocean and Pacific in less than 400 kilometers.

For its part, the media El País maintains that the figures for the construction industry prior to the end of 2019, were not as expected, due to falls of 20 thousand jobs and 4.5 billion lempiras (US \$ 180 million) in investments, as well as, a decrease in housing projects, among other adversities. According to a SUMMA magazine publication, this year Honduras presented its infrastructure investment plan for 56,570.75 million lempiras (US \$ 2,276 million), to be carried out in 2020-2021, in three major investment areas: road infrastructure,



Napoleón Bogran
Consultores en Ingeniería
Cinsa

to take so long", says Napoleón Bogran, President of Cinsa. Cinsa has executed a series of master plans for the development of cities, railroads, sanitary sewers, transportation, roads, energy and flood control. In this context, Bogran indicates that the idea is presented and subsequently sold to the City Hall and then they help to find the financing. Cinsa has executed its Master Plan in different cities such as: Copán,



Allan Álvarez
Gerente General
Kosmox

Regarding strategic alliances: "We are always ready to make alliances with defined objectives and projects. My dad started with that kind of relationship with Spanish and Brazilians. We have not had a strong projection towards the US, the idea is to do it in the future. One of the company's objectives, 8 years ago when we started with the ISO, was to regionalize ourselves over a period of time and support us even more. Any business that looks attractive we are open to study it and if any US investor raises it, we would not have any problem to establish a commercial relationship", concludes Álvarez. The current government in its first period identified enablers of development in the higher-level infrastructure such as ports, airports and large primary corridors. In this second period there are two challenges that go beyond the government term and one is to complete the primary corridors, which include 3. Invest will be in charge of this work for the next 3 years, these are the western corridor, the tourist corridor and the eastern corridor. Invest-Honduras has executed projects and programs throughout



Marco Bogran
Director Ejecutivo
Inversión Estratégica De Honduras
(Invest-Honduras)

indicator has shown that in 20 years of constant investment in various areas of the economy, the poverty needle has barely moved, which means that the strategies implemented were not the best. "Something is not being done well and the conclusions reached with President Hernández, is precisely the premise about the fact that if we do not make the transition from an agricultural economy to a modern one, the margin of poverty can never be closed", says Bogran. "From 2014 to date our portfolio has grown 5 times. The investment level of this office when it was established with MCC (Millennium Challenge Corporation) to implement a single donation made by the US Government was USD 215 million over 5 years. In 2020, our budget incorporated in the General Budget of the Republic is USD 250 million; there is an exponential growth of the portfolio", concludes Bogran. The achievements to date come together with the trust of all the cooperators including USAID, MCC, contributions from the USA, and also to the Inter- American Development Bank, World Bank and the European Union. These

"Honduras is a country that year after year improves its terrestrial connectivity and that has great future projects"

productive infrastructure and social services infrastructure. Within this sector there are companies that have been contributing to the development of this sector for years, as for example Cinsa. This company develops a wide range of consulting services to carry out engineering and architectural projects for the public and private sectors.

Currently its main project is to supervise the Palmerola International Airport, which will be one of the hubs of the Logistics Center of the Americas. "We have always had the luxury of choosing the projects where we are going to participate, we take into consideration if they are good for Honduras, the money is available and if the payment is not going

San Pedro Sula, Puerto Cortez, Tegucigalpa, and La Ceiba. On the other hand, they have implemented twice the master plan for highway development in Honduras and once in Guatemala. "At this moment in Honduras, a lot of importance is being given to infrastructure", concludes Bogran. At the international level, Cinsa has worked in alliance with companies from the US, Canada, Mexico, Japan, England and France. For its part, the company Kosmox has had significant projects, mainly in San Pedro Sula and Tegucigalpa, however they have also worked in Roatán, Comayagua and Choluteca, with smaller-scale projects. "In 2009 my father decided that I should be the General Manager, and he became the Executive President. He was always in charge,

"The country's development is reflected in its growing infrastructure, in which both the private and public sectors are working"

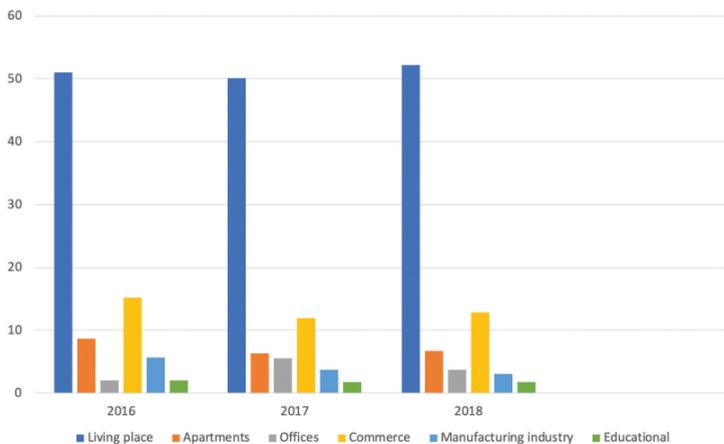
logistics center, we have chosen to invest in the road infrastructure of the entire rural area that consists of more than 12 thousand km. The Honduran official road network covers 16,000 km, of which 3,500 to 4,000 are paved, the rest are dirt roads, which serve production and connect communities to education and health services", says Marco Bogran, Strategic Executive Director of Invest-Honduras. Bogran indicates that there is an aggressive investment plan in road infrastructure, because it seeks to completely close the gap that has existed during the last 50 years and lead the country to have an optimal road network.

What has happened to the country, unfortunately, is that the multidimensional poverty

cooperators have presence in Honduras with loan or grant programs with Invest-Honduras, aimed at increasing productivity, generating food security and lifting families from poverty and extreme poverty from rural areas. This portfolio of loans and grants is articulated and geographically focused properly, it will reach more than USD 600 million in the next 5 years. It is a large-scale investment for a country like Honduras.

"Years ago we went beyond the objective of becoming the benchmark unit in the region and we had to rethink our mission and vision, which is precisely the transition from an economy based on agricultural production to a modern economy", says Bogran.

Private construction according to destination (in%), years 2016-2018



Source: Central Bank of Honduras, Quarterly Survey of Private Construction (2016-2018)

but I was assuming the day-to-day responsibilities. He was involved with different institutions, such as chambers, unions and was always in contact with the State in more strategic activities that I currently manage", says Allan Álvarez, General Manager of Kosmox. Álvarez indicates that the specialization they have acquired in buildings has not been a decision of the company but rather a response to market demand. Kosmox's strength is to comply and guarantee that what is requested will be done, and will not be execution problems.

the national territory benefiting thousands of families and promoting development in nearby communities. It was established in 2005 and currently generates 95 thousand direct and indirect jobs. It has a structure of continuous improvement in training, competitive salaries and therefore the staff turnover is low. "45% of the poorest Hondurans live in rural areas, live on agriculture and are poor or extremely poor. Taking into account this premise, that it is necessary to invest in agriculture to make the transition and to develop the country as a

Supervision of the Construction:
"Palmerola" International Airport
Comayagua, Honduras

Phone:
PBX (+504) 2232-3965
(+504) 2232-6307

cinsa

CONSULTORES EN INGENIERÍA, S.A. DE C.V.

www.cinsahn.com
info@cinsahn.com

CONSTRUCTORA KOSMOX

Satisfy the tastes and needs of our clients in the field and management of building construction.

www.kosmox.com
Colonia Rubén Darío, calle Real de Minas bloque G, Tel: +504 2232-1250, +504 2232-1174, +504 2239-4758, Fax: 2230-7047.



INVEST-HONDURAS



Honduras



A country located in the center of the American continent, with coast and ports in the Atlantic Ocean and in the Pacific Ocean. A place with worldwide recognition of its coffee, tobacco and seafood products.



Honduras geography covers 112,492 Km² and it's full of business opportunities. It is a country with a system of fiscal incentives, with healthcare and education services and labor laws enforcement.



Our country possesses natural resources and amazing beauty. It has wonderful beaches along the coasts with a perfect climate for Eco tourism. Summer time is always here!



Honduras is known for its friendly, hard-working people. It has a large population of young, vigorous workers that possess proficiency in both Spanish and English languages. This, in addition with other important skills, enables the country to grow the manufacturing, call centers and service sectors.

HONDURAS, fertile land to invest!



Agricultural infrastructure

About 39,000 families in the rural areas with agricultural assistance, access to water for crops and more than 4,200 hectares with irrigation systems.



Road infrastructure

- Highways (Corredor) connecting the country / 3,500 km paved roads.
- Paving access to the main municipal cities / 3,000 km in process.
- Road maintenance / 6,200 km in process.



Honduras Strategic Investment (INVEST- Honduras) is a management office that develops strategic projects and programs that are taking Honduras into the 21 century. The purpose of this office is to provide innovative and effective management of international and national funds.

Consultas@investhonduras.hn