



Foreign Agricultural Service

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Honduras

Sugar

Annual

2002

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Report Highlights:

The sugar industry in Honduras has in recent years been investing in infrastructure and equipment, thus increasing refining capacity and improving efficiency. This profitability and investment is reflected in the expanding area harvested as well as the upward trending production of cane and centrifugal sugar.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Section I – Situation and Outlook

The sugar industry in Honduras has in recent years been investing in infrastructure and equipment, thus increasing refining capacity and improving efficiency. This profitability and investment is reflected in the expanding area harvested as well as the upward trending production of cane and centrifugal sugar.

With increases in population and controlled domestic refined sugar prices, domestic consumption of sugar continues to rise and annually is roughly 52 pounds per capita indirect use. About 30 pounds PPC of sugar is used in processed and baked foods as well as beverages. The calculation are not accurate as population figures are estimated.

Honduras depends on sugar exports as a major foreign exchange earner. The U.S. sugar import quota for Honduras is 10,531 metric tons of the total TRQ of 1,117,195 mts. Several years ago sugar exports from Honduras were 15,000 to 25,000 per year, but now the industry is more globally minded and exports are reported to be greater than 70,000 metric tons. Currently, Canada and Honduras are discussing greater market access for sugar. The Association of Sugar Producers take the position that unfilled import quotas should be reallocated to developing countries in need of boosting their export earnings and balancing their trade.

Currently farmers receive for cane at the field between Lps.220 and 230 per short ton (2000 lbs) The retail price for refined sugar is Lps.7.26 (\$0.45) per kilogram and the wholesale price is Lps. 7.04 (\$0.43) per kilogram. Because sugar is considered a sensitive commodity in the cost of living, the Ministry of Economy must authorize any change in consumer price.

The current floating exchange rate is Lps. 16.1 equals one U.S. dollar.

Section II- Statistical Tables

PSD Table						
Country	Honduras					
Commodity	Centrifugal Sugar				(1000 MT)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		09/2000		09/2001		09/2002
Beginning Stocks	108	108	126	100	90	39
Beet Sugar Production	0	0	0	0	0	0
Cane Sugar Production	354	317	295	340	0	357
TOTAL Sugar Production	354	317	295	340	0	357
Raw Imports	2	0	2	0	0	0
Refined Imp.(Raw Val)	2	0	2	0	0	0
TOTAL Imports	4	0	4	0	0	0
TOTAL SUPPLY	466	425	425	440	90	396
Raw Exports	75	75	75	126	0	70
Refined Exp.(Raw Val)	0	0	0	0	0	0
TOTAL EXPORTS	75	75	75	126	0	70
Human Dom. Consumption	265	250	260	275	0	290
Feed Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	265	250	260	275	0	280
Ending Stocks	126	100	90	39	0	46
TOTAL DISTRIBUTION	466	425	425	440	0	396

PSD Table						
Country	Honduras					
Commodity	Sugar Cane for Centrifugal				(1000 HA)(1000 MT)	
	Revised	2001	Preliminary	2002	Forecast	2003
	Old	New	Old	New	Old	New
Market Year Begin		09/2000		09/2001		09/2002
Area Planted	45	45	45	47	0	50
Area Harvested	44	45	44	47	0	50
Production	3700	3200	3700	3431	0	3600
TOTAL SUPPLY	3700	3200	3700	3431	0	3600
Utilization for Sugar	3700	3200	3700	3431	0	3600
Utilization for Alcohol	0	0	0	0	0	0
TOTAL UTILIZATION	3700	3200	3700	3431	0	3600

Export Trade Matrix			
Country	Honduras		
Commodity	Centrifugal Sugar		
Time period	Jan/Dec	Units:	Metric tons
Exports for:	2001		2002
U.S.	10,531	U.S.	10,531
Others		Others	
World Market	64,469		115,854
Total for Others	64,469		115,854
Others not Listed			

Grand Total	75000		126385
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