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Report Highlights:

Honduran coffee production is forecast to reach 5.52 million 60-kilogram bags in marketing year (MY) 2024/25 and rise to 5.80 million bags in MY 2025/26. This upward trends is supported by a decline in coffee rust, improved labor availability, and an 81 percent surge in international coffee prices, driven in large part by adverse climatic conditions affecting major coffee-producing regions worldwide. As a result, Honduran coffee exports are projected to rise to 5.36 million bags in MY 2024/25 and 5.5 million bags in MY 2025/26.

CROP AREA

Honduras's planted coffee area is projected to grow by approximately 3.3 percent, or 10,000 hectares, in marketing year (MY) 2025/26, driven by the introduction of the Parainema variety, a rust-resistant coffee cultivar. As one of Central America's leading coffee producers and a top global exporter of Arabica coffee, Honduras concentrates its production in six key regions: Copán, Montecillos, Opalaca, Comayagua, El Paraíso, and Agalta. These areas, located at elevations between 1,000 and 1,600 meters above sea level, offer ideal conditions for growing high-quality Arabica varieties such as Bourbon, Catuai, Caturra, and Typica.

Coffee remains a vital source of income for many Honduran farmers and a major contributor to the country's export earnings. In recent years, the sector has increasingly adopted sustainable agricultural practices to boost yields, improve coffee quality, and safeguard natural resources. As of April 2024, sustainability efforts remain active, with the Honduran Coffee Institute (IHCAFE) providing technical support to help growers meet the requirements of the European Union Deforestation Regulation (EUDR), which seeks to reduce deforestation tied to agricultural production and foster environmentally responsible supply chains.

PRODUCTION

Honduras's coffee production for MY 2024/25 is forecast at 5.52 million 60-kg bags, increasing 9.3 percent from 5.05 million bags in MY 2023/24, matching levels last seen in MY 2021/22. This increase is largely due to reduced coffee leaf rust, the harvest of rust-resistant Parainema varieties, better flowering conditions, fewer labor shortages, and an 81 percent rise in international coffee prices, partly driven by weather-related impacts in Brazil. Climatic disruptions in Brazil, such as droughts, fires, and extreme heat, have pushed up reference prices on the Intercontinental Exchange (ICE), boosting demand for Honduran Arabica coffee.

Looking ahead, coffee production in Honduras is expected to grow modestly to 5.8 million bags in MY 2025/26, based on the continuation of positive trends observed in MY 2024/25, including a reduction in labor shortages, lower coffee rust incidence, and stable weather conditions. As of April 2025, around 3 percent of the current crop remains unharvested, while 40 percent is still awaiting export, roasting, or processing.

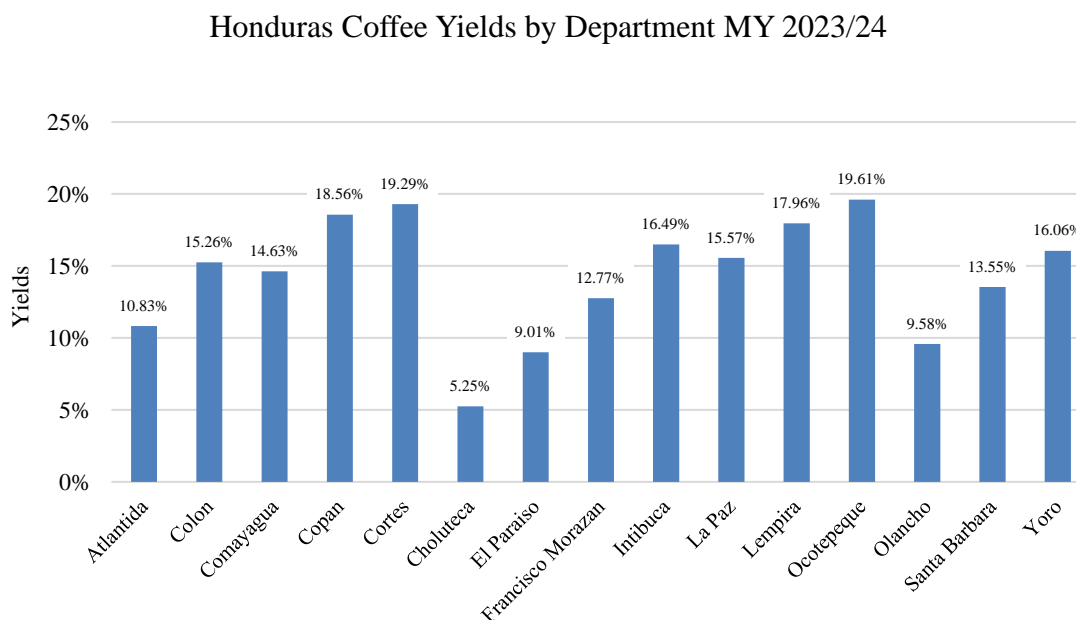
Weather conditions are expected to impact coffee leaf rust (*Hemileia vastatrix*) beginning in July 2024, with national incidence levels forecast to remain low through August 2025, averaging 2.9 percent. Higher localized incidence is projected in the departments of Intibucá (5.9 percent), Santa Bárbara (4.2 percent), Comayagua (4.0 percent), Yoro (3.6 percent), Cortés (3.18 percent), Colón (2.9 percent), Francisco Morazán (2.7 percent), and Lempira (2.2 percent). According to IHCAFE, rust incidence between 0 and 5 percent is considered low, while 5 to 20 percent represents a medium-level threshold.

In April 2024, IHCAFE surveys showed that 76 percent of sampled farms exhibited low levels of rust, 19 percent showed medium incidence, and 5 percent had high incidence. The overall low presence of rust is attributed to continued dry season conditions across much of Honduras's coffee-producing regions.

Honduran coffee is cultivated at high altitudes, with 61 percent of farms located between 3,900

and 5,200 feet above sea level. Coffee is produced in 15 of the country's 18 departments and 210 of its 298 municipalities.

Figure 1. Honduras Coffee Yields by Department MY 2023/24



Source: IHCAFE Coffee Statistics Report 2023/2024

Table 1. Producers by Size, Area Harvested, and Production 2023/2024.

Farmer Type	Farmers registered with IHCAFE	Total Area Harvested (Ha)	Total Bags (60kg bags) produced
Small	87,136	193,092	2,502,386
Medium	4,746	62,494	1,400,613
Large	539	24,511	747,355

Source: IHCAFE Coffee Statistics Report 2023/2024

Many small and medium-sized coffee producers in Honduras (Table 1) face financial constraints, with limited access to credit for farm management or already burdened by existing debt. This lack of investment in farm maintenance poses a risk for the spread of coffee rust. To address these challenges, several institutions provide support:

- The Early Warning System for Coffee Production (SAT), established in 2012, informs the government, coffee producers, and relevant institutions about potential phytosanitary threats and outlines necessary interventions.
- IHCAFE operates six research and training centers across Honduras, covering all stages of coffee production, from cultivation to processing. These centers offer vital information, training, research, and monitoring to farmers, promoting the use of diverse coffee varieties.

- In addition, Honduran coffee associations and regional and international institutions provide various forms of support to strengthen the coffee sector.

CONSUMPTION

Coffee consumption in Honduras for MY 2025/26 is projected to remain stable, supported by modest economic growth estimated at 2.8 to 3.4 percent. However, this growth may be tempered by reduced purchasing power amid ongoing economic uncertainty and the potential impact of tariffs, which could affect both local consumption and broader economic activity.

In MY 2024/25, domestic coffee consumption declined by 13 percent, falling from 385,000 bags in MY 2023/24 to 335,000 bags. This drop is largely attributed to consumers shifting away from higher-priced roasted coffee in favor of more affordable soluble coffee options.

Per capita apparent consumption places Honduras in the intermediate consumption regional group with Panama, Mexico, and Guatemala. According to the International Coffee Organization (ICO) annual consumption is estimated at 4-5 kilograms per capita. The increase in domestic consumption trends comes from the growing presence of coffee bars in shopping malls, gas stations, retail areas, supermarkets, office buildings, and hospitals. A large percentage of the Honduran population is young and is consuming more and different types of coffee drinks. Keurig coffee is a new consumption trend appealing to young consumers and providing a new market pull offer with a variety of flavors and origins. Keurig coffee pods and Keurig coffee machines are being sold at supermarket chains.

TRADE

Exports

Honduran coffee exports are projected to reach approximately 5.50 million 60-kilogram bags by MY 2025/26. This sustained growth is expected to be supported by improved yields, favorable and stable climate conditions, and expanded access to international markets. Additionally, Honduras stands to benefit from global supply shifts, particularly the ongoing production challenges faced by Brazil, the world's largest coffee exporter.

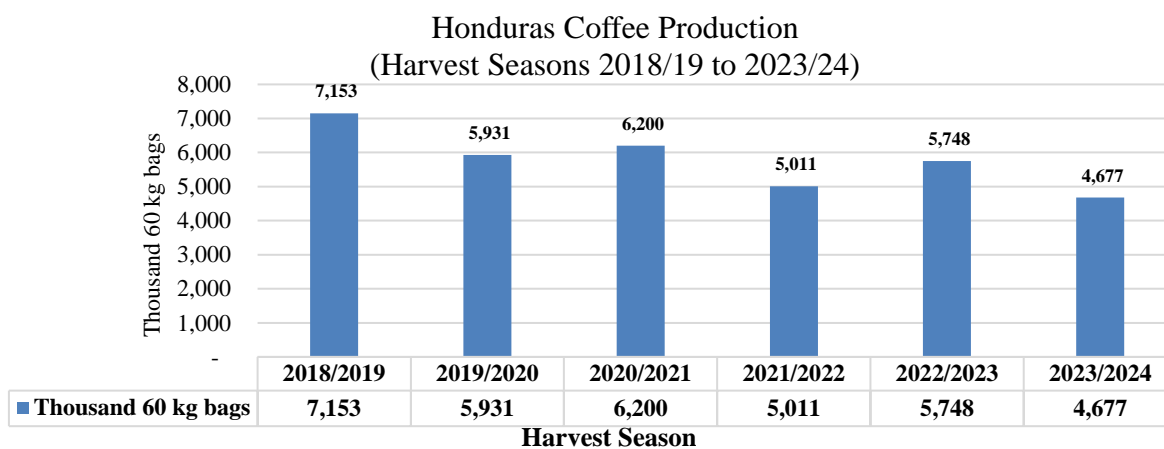
For MY 2024/25, Honduras' coffee exports are forecast at 5.36 million 60-kg bags, an increase of 14.7 percent compared to the revised estimate of 4.67 million bags in the previous year. This sharp growth reflects not only better agricultural performance and favorable weather but also Honduras' strengthened position in global coffee markets amid disruptions to Brazil's output.

As of April 2025, Honduras has exported 2.25 million 60-kg bags, reflecting an 11 percent increase from the same period in MY 2023/24, which saw 2.03 million bags exported. This increase is driven by both higher volumes and a significant rise in coffee prices. The average price of Honduran coffee exports has surged to \$345.82 per 60-kg bag, marking an 81 percent increase compared to the \$191.34 per bag recorded in MY 2023/24. The total value of coffee exports by April 2025 reached \$1.02 billion, a 100 percent increase from the previous year's \$507.05 million.

Sales contracts for MY 2024/25 totaled 3.33 million bags, reflecting a 19 percent increase from the 2.79 million bags contracted during the same period in MY 2023/24. Honduras has benefited significantly from its free trade agreement with the Republic of Korea, with Korea becoming the eleventh largest export market for Honduran coffee.

Globally, Honduras remains the eight largest coffee exporter following Brazil, Vietnam, Colombia, India, Indonesia, Uganda, and Ethiopia. Within the Americas, it ranks third, and it is the largest coffee exporter in Central America. Honduras' coffee export sector is showing strong performance, with increased exports, higher average prices, and expanded market access. As production continues to improve, the country is positioned to further strengthen its presence in the global coffee market in the coming years.

Figure 2. Coffee Exports (Thousand Bags) MY 2018/19 to MY 2023/24 source: IHCAFE



Source: IHCAFE Coffee Statistics Report 2023/2024

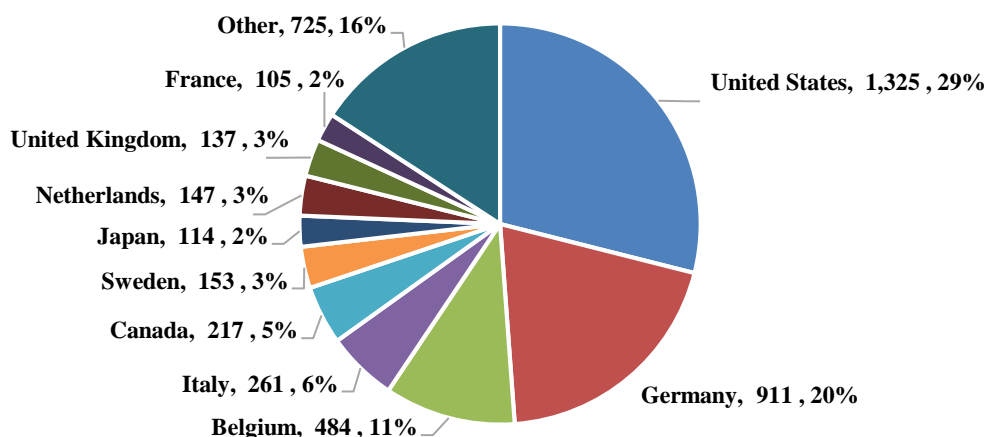
Table 2. Exports by Destination for Honduran Green Coffee Units: Thousand 60 kg bags

	2021		2022		2023	2024
United States	1,524	United States	1,039	United States	1,484	1,325
Germany	1,489	Germany	1,022	Germany	1,119	911
Belgium	629	Belgium	423	Belgium	510	484
Italy	316	Italy	279	Italy	275	261
Colombia	311	Japan	255	Canada	249	217
France	259	Canada	162	Sweden	187	153
Sweden	231	Colombia	156	Japan	186	114
United Kingdom	170	France	138	Netherlands	157	147
Canada	154	United Kingdom	133	United Kingdom	147	137
China	153	Sweden	123	France	133	105
Other	957	Other	727	Other	904	725

Source: Trade Data Monitor

Figure 3. Green Bean Exports in Thousand 60 kg bags MY 2024/25

MY 2024/25 Green Bean Exports in Thousand 60 kg bags and Percentage of Market



Source: Trade Data Monitor

Imports

Honduras' coffee imports are projected to reach 43,000 60-kilogram bags in MY 2025/26, marking a 4.9 percent increase from the estimated 41,000 bags in MY 2024/25. This rise in imports is primarily driven by lower ending stocks carried over from previous years and an increased domestic preference for more affordable imported coffee, particularly as the cost of locally produced coffee remains high. Of the total imports, approximately 40 percent consist of green coffee beans, while the remaining 60 percent are soluble coffee products.

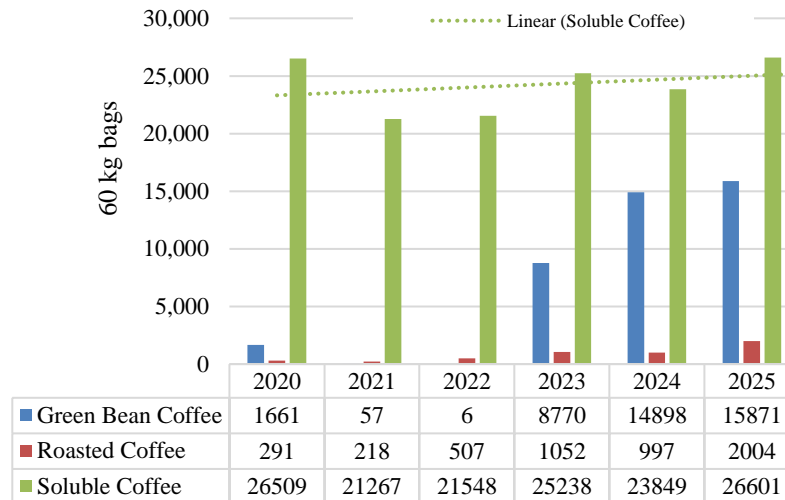
In MY 2024/25, green coffee bean imports into Honduras through February 2025 totaled 15,871, 60-kilogram sacks, primarily sourced from Nicaragua 11,408 60-kilogram sacks, followed by Vietnam with 4,452 sacks. Minimal volumes were imported from the United States and Costa Rica, each contributing 10 sacks, according to data from Trade Data Monitor.

Imports of roasted coffee also saw significant growth. Through February 2025, roasted coffee imports reached 2,004 sacks (GBE), representing a 101 percent increase compared to 997 sacks during the same period in MY 2023/24. The main suppliers were Canada, the United States, Costa Rica, Colombia, Ecuador, and Guatemala.

Soluble coffee imports also rose during this period. From October 2024 through February 2025, Honduras imported 26,601 sacks, up from 23,849 sacks during the same timeframe the previous year. As of April 2025, total soluble coffee imports remained at 26,601 sacks. Key sources included Mexico, the United States, Colombia, Guatemala, India, Malaysia, and Costa Rica.

Figure 4. Honduras Coffee Imports from World

Honduras Coffee Imports from World in GBE



Source: Trada Data Monitor

STOCKS

Ending stocks of coffee in Honduras for MY 2025/26 are projected to recover modestly to 11,000 60-kilogram bags, driven by a slight 2.6 percent increase in exports and stable domestic consumption.

In contrast, MY 2024/25 ending stocks are expected to decline sharply to 6,000 bags, a 96 percent drop compared to the previous year. This steep reduction follows a significant drawdown from the revised estimate for MY 2023/24, which has been updated to 143,000 bags (up from an initial forecast of 52,000 bags). The revision reflects lower-than-expected exports, totaling 4.6 million bags for that year.

Coffee stocks in Honduras are managed by approximately 70 private sector exporters and roasters. Coffee beans held by exporters serve as inventory to fulfill future contracts and are not used to influence market prices. Domestic roasters maintain stocks to ensure year-round supply for local consumption. Some of these stocks may be sold to other Central American markets depending on price trends and commercial opportunities. Key regional destinations for Honduran roasted coffee include El Salvador, Guatemala, and Belize, while soluble coffee is primarily exported to Guatemala and Panama.

POLICY

In 2022, the National Congress of Honduras ratified [Executive Decree 352-2022](#), an exemption of a 12 percent sales tax on coffee, expanding the list of over 270 essential consumer goods exempt from the tax. This measure, expected to provide fiscal relief of approximately \$183 million, applies not only to roasted coffee but to all stages of coffee along its value chain. The policy is designed to lower production costs and enhance the competitiveness of the Honduran coffee sector.

Due to ongoing inflationary pressures and rising input costs in Honduras's coffee sector—alongside a global economic environment marked by slowing activity, the Central Bank of Honduras conducts annual reviews of its monetary, credit, and exchange policies. These evolving macroeconomic conditions have the potential to affect both coffee production and domestic consumption over time.

In 2024, the Central Bank of Honduras implemented several [monetary policy measures](#) aimed at supporting macroeconomic stability and the coffee sector. The coffee sector in Honduras is shaped by a comprehensive policy and institutional framework. Key legislation includes [Decree 93/2018](#) on financing policy, the [Trust Law Regulation](#), and the [Coffee Commercialization Regulation](#). A cornerstone initiative is IHCAFE's "Renew without stopping Production" program, which seeks to renew aging coffee areas, enhance productivity and quality, and support 33,000 producers covering 250,000 blocks. This program also addresses labor issues through workforce professionalization, new payment systems, and semi-mechanized harvesting processes.

IHCAFE has also introduced a climate change policy aimed at fostering resilience in the sector, with implementation planned in six five-year phases from 2022 to 2050. Created in 1970, IHCAFE has built a strong institutional presence, including a coffee quality laboratory, a training school for coffee tasters, and a national quality center accredited for international marketing. Other major policy actors include the National Coffee Council (NCC), established in 2000 as the highest regulatory body for the coffee sector. The NCC is responsible for guiding public policy related to production, climate change, labor, gender inclusion, and exports. Notably, the sector adopted a Gender Inclusion Policy in 2021 to promote equal opportunities for women.

In terms of financial support, several measures have been enacted over the years. These include the Coffee Bonus Program, extended in 2021 with an additional \$12.5 million, and the 2003 Law of Financial Reactivation of the Coffee Production Sector, which set up a producer savings fund financed through a per-quintal deduction paid by exporters. The National Coffee Fund, another vital mechanism, supports infrastructure improvements like road construction in producing areas, reducing transportation costs.

International cooperation also plays a crucial role in Honduran coffee production. USDA supported the MAS+ Project (2017–2022), a \$12.9 million initiative implemented by TechnoServe that benefited over 20,900 farmers across 70 percent of the coffee-producing regions. This project helped improve coffee quality and increase farmer revenues. Similarly, the USDA-backed MOCCA Project (2018–2023), a \$36.4 million initiative, aimed to strengthen coffee and cocoa production in six Latin American countries, focusing on productivity, trade, and farmer training while reinforcing national commodity institutions.

MARKETING

In recent years, certified and specialty coffees have grown from a minor part of Honduras's coffee production and exports into a major segment of the industry. Consumer demand for these coffees continues to rise, driven by increasing interest in their social, economic, and environmental attributes, as well as their high quality.

Coffee quality is determined by various factors, including altitude, variety, post-harvest handling, number of defects, and preparation methods. As global markets evolve, producing countries must stay ahead of emerging trends. Today, many coffee roasters are no longer focused solely on the product itself but also value the social impact of cultivation, traceability, and improvements in farmers' livelihoods, essentially selling not just coffee, but the story behind it.

Honduras began registering differentiated coffees in the 2009 to 2010 harvest. This segment has grown significantly, with 2.6 million 60-kg bags sold during the 2023 to 2024 harvest season, accounting for 52 percent of total exports. However, this represents a 16 percent decline compared to the 2022–2023 harvest. The five leading certifications for differentiated coffee were UTZ, Organic, Fair Trade/Organic, 4C, and Rainforest Alliance.

Table 3. Differentiated Coffee Production Harvest by Year: Thousand 60 kg bags

Harvest Season	Differentiated Coffee	Harvest	Percent Participation
2018/19	2,830,971	6,813,778	42%
2019/20	3,020,311	5,506,220	55%
2020/21	3,220,072	5,873,200	55%
2021/22	2,522,908	4,700,607	54%
2022/23	3,087,345	5,341,893	58%
2023/24	2,583,666	5,000,000	52%

Source: IHCAFE 2023-2024 Statistical Report

Specialty coffee in Honduras is typically grown at altitudes above 3,000 feet, a key requirement for producing the high-quality beans that meet specialty standards. These elevated growing conditions contribute to the flavor complexity and quality that distinguish specialty coffees from conventional ones.

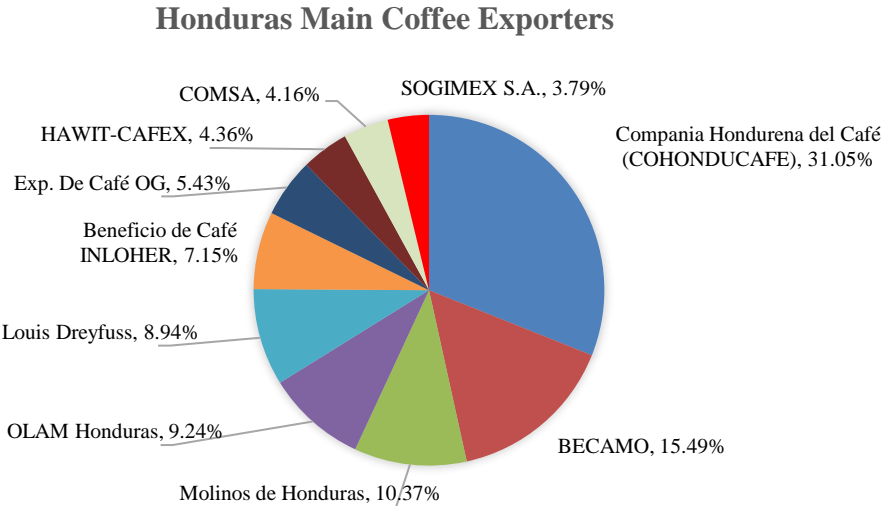
Currently, specialty coffees are produced and exported under 22 different programs and certifications. These include well-recognized labels such as UTZ Certified, 4C Association, Fair Trade/Organic (FLO/ORG), Rainforest Alliance (RFA), Organic (ORG), Bird-Friendly, Starbucks C.A.F.E. Practices, Japanese Agriculture Standard (JAS), Cup of Excellence, and others. Each certification program emphasizes specific environmental, social, or quality criteria, helping producers align with evolving consumer preferences and access premium markets.

Table 4. Honduras Exports of Differentiated (Certified Coffee) by Brands

Differentiated Coffee	Volume	% in Diff.	% Total Exports
RFA	1,133,974.51	43.4%	24.2%
ORG.	633,550.17	24.3%	13.5%
FLO/ORG.	344,052.88	13.2%	7.3%
FLO	218,801.27	8.4%	4.7%
4C	163,517.69	6.3%	3.5%
ORG/RFA	66,974.79	2.6%	1.4%
CAFÉ PRACTICES	31,800.60	1.2%	0.7%
GOURMET	13,539.95	0.5%	0.3%
ORG/DO MARCALA	1,880.25	0.1%	0.0%
DO MARCALA	1,528.35	0.1%	0.0%
Q GRADE	948.75	0.0%	0.0%
FLO/RFA	316.25	0.0%	0.0%
COE	114.18	0.0%	0.0%
Total Differentiated	2,610,999.63	100.0%	55.7%
Conventional	2,075,901.65		44.3%
Total General	4,686,901.28		100%

Source: IHCAFE 2023-2024 Statistical Report.

Figure 5. Honduras Main Coffee Exporters



Source: IHCAFE 2023-2024 Statistical Report

Honduran coffee is renowned for its variety and quality, with distinct categories that reflect the unique growing conditions and production methods throughout the country. These categories help differentiate coffee based on factors such as altitude, grading standards, and production practices, allowing consumers and producers alike to identify the specific characteristics that contribute to the flavor profile and overall quality of the coffee. Among the key categories of Honduran coffee are strictly high grown (SHG), high grade (HG), screen size (>18), certified organic (COR), and standard grade (STD), each of which plays a significant role in how the coffee is valued in both local and international markets.

These classifications are defined as follows:

- **SHG (Strictly High Grown)** refers to high-quality coffee grown at higher altitudes.
- **HG (High Grade)** includes coffee that meets high quality but isn't necessarily grown at the high altitudes required for SHG.
- **SL (Screen Size >18)** measures the size of the beans, with larger beans generally being of higher quality.
- **COR (Certified Organic)** refers to coffee grown without synthetic chemicals and certified as organic.
- **STD (Standard Grade)** refers to coffee of lower quality with more defects, used in lower-priced products.

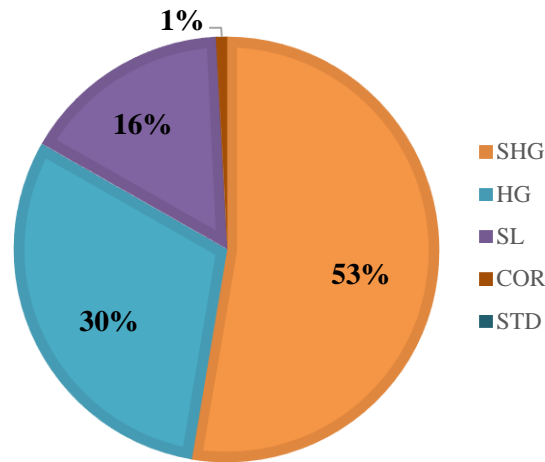
Table 5 presents the export volume, value, average price, and the percentage share of each coffee category in Honduras' coffee exports for MY 2023/24. Figure 7 presents a graphical representation of these categories by export volume.

Table 5. Honduras Quality Exports in 60 kg bags for MY 2023/24

Quality	Volume (60kg)	USD Value	Average Price	Percent
SHG	2,467,888.77	\$693,862,972.82	\$281.16	53%
HG	1,433,758.69	\$367,001,727.41	\$255.97	31%
SL	749,057.68	\$150,709,557.40	\$201.20	16%
COR	36,104.14	\$7,884,470.32	\$218.38	1%
STD	92.00	\$31,608.00	\$343.57	1<%

Source: IHCAFE 2023-2024 Statistical Report

Figure 6. Honduras Quality Exports in 60 kg bags for MY 2023/24



Source: IHCAFE 2023-2024 Statistical Report

Honduras has organized its coffee production and quality standards into six distinct regions, each defined by unique microclimates and soil characteristics. This regional approach allows for better quality control and differentiation in the global market. In 2004, Honduras joined the prestigious Cup of Excellence (COE) competition, signaling its commitment to high-quality coffee. A year later, the country received its first Geographical Indicator (GI) with the designation of origin for Marcala Coffee. This milestone led to the creation of the collective brand "Honduran Western Coffees" (HWC), further promoting regional identity and quality.

Between MY 2018/19 and MY 2023/24, the share of differentiated coffee exports grew by 31 percent, from 42 percent to 55 percent of total exports, reflecting increased global demand for specialty and certified coffees. In MY 2023/24, Honduras exported 2.53 million quintals of differentiated coffee. The overall quality of exported coffee was classified as follows: 53 percent SHG, 31 percent HG, and 16 percent STD.

The IHCAFE Cup of Excellence is a premier promotional event that showcases the highest-quality coffees produced in Honduras. This international competition culminates in an electronic auction, where the winning coffees are sold to buyers around the world, often at premium prices. The event plays a vital role in connecting Honduran producers with niche markets and specialty coffee buyers. The selection process begins with approximately 1,200 producers who compete in regional quality contests. From these, only the top 50 to 60 coffees advance to the final stage of the Cup of Excellence, highlighting the exceptional craftsmanship and of Honduras' coffee sector.

Production, Supply, and Demand Data Statistics Coffee, Green

Coffee, Green	2023/2024		2024/2025		2025/2026		
Market Begin Year	Oct 2023		Oct 2024		Oct 2025		
Honduras	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
							(Units)
Area Planted	0	330	0	340	0	350	(1000 HA)
Area Harvested	0	292	0	300	0	310	(1000 HA)
Bearing Trees	1800	1800	1900	1900		2000	(MILLION TREES)
Non-Bearing Trees	232	232	245	245		260	(MILLION TREES)
Total Tree Population	2032	2032	2145	2145	0	2260	(MILLION TREES)
Beginning Stocks	112	112	52	143	0	6	(1000 60 KG BAGS)
Arabica Production	5000	5050	5300	5520	0	5800	(1000 60 KG BAGS)
Robusta Production	0	0	0	0	0	0	(1000 60 KG BAGS)
Other Production	0	0	0	0	0	0	(1000 60 KG BAGS)
Total Production	5000	5050	5300	5520	0	5800	(1000 60 KG BAGS)
Bean Imports	0	15	0	16	0	17	(1000 60 KG BAGS)
Roast & Ground Imports	0	0	0	0	0	0	(1000 60 KG BAGS)
Soluble Imports	25	24	25	25	0	26	(1000 60 KG BAGS)
Total Imports	25	39	25	41	0	43	(1000 60 KG BAGS)
Total Supply	5137	5201	5377	5704	0	5849	(1000 60 KG BAGS)
Bean Exports	4700	4670	4900	5360	0	5500	(1000 60 KG BAGS)
Rst-Grnd Exp.	0	2	0	2	0	2	(1000 60 KG BAGS)
Soluble Exports	0	1	0	1	0	1	(1000 60 KG BAGS)
Total Exports	4700	4673	4900	5363	0	5503	(1000 60 KG BAGS)
Rst,Ground Dom. Consum	360	360	385	310	0	310	(1000 60 KG BAGS)
Soluble Dom. Cons.	25	25	25	25	0	25	(1000 60 KG BAGS)
Domestic Consumption	385	385	410	335	0	335	(1000 60 KG BAGS)
Ending Stocks	52	143	67	6	0	11	(1000 60 KG BAGS)
Total Distribution	5137	5201	5377	5704	0	5849	(1000 60 KG BAGS)
Exportable Production	4615	4665	4890	5185	0	5465	(1000 60 KG BAGS)
TS=TD	0	0	0	0	0	0	

Attachments:

No Attachments