

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

HONDURAS

America Central

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Tegucigalpa (Distrito Central, capital)	Seat of government, banking and services, and the country's largest urban center	Financial services, government-linked services, corporate headquarters
San Pedro Sula / Sula Valley	Honduras's industrial and maquila capital, anchoring the country's free-trade-zone manufacturing economy	Textile and apparel maquila manufacturing, light industry
Puerto Cortés (Caribbean coast)	Central America's principal deep-water Caribbean port and Honduras's primary trade gateway	Port logistics, export manufacturing supply chains
Choloma (Sula Valley free-zone corridor)	Dense concentration of maquila and free-zone manufacturing plants feeding Puerto Cortés	Textile and apparel manufacturing, free-zone industrial development
Comayagua / Palmerola International Airport corridor	Central logistics and aviation gateway built around Palmerola's expanding international airport	Aviation logistics, air-cargo, distribution
La Ceiba (Atlantic coast)	Secondary port and tourism hub serving the Bay Islands and northern agro-export trade	Tourism, agro-export logistics
Roatán / Bay Islands (including the Próspera ZEDE)	Premier tourism destination and site of Honduras's best-known special economic zone, currently subject to unresolved constitutional and arbitration disputes	Tourism, hospitality, special-economic-zone investment (high legal uncertainty)

INVESTOR ENTRY ROUTES

- Free-zone and maquila manufacturing investment in the San Pedro Sula/Choloma corridor, which anchors Honduras's position as the second-ranked Latin American country for number of free trade zones
- Renewed access to investor-state arbitration protections, following Honduras's return to ICSID in August 2026 after a 2024 withdrawal under the previous government
- Port and logistics investment via Puerto Cortés, Central America's principal deep-water Caribbean port
- Aviation and distribution-logistics investment around the expanding Palmerola International Airport corridor in Comayagua
- Tourism and hospitality investment in Roatán and the Bay Islands, balanced against zone-specific legal uncertainty for any ZEDE-linked structuring
- Agro-export investment in coffee, palm oil and banana processing, Honduras's traditional commodity export base

MARKET-ENTRY OBSERVATION

Honduras enters 2026 under a new National Party government: Nasry "Tito" Asfura, backed publicly by US President Trump, was declared president-elect on December 24, 2025, after a tense, weeks-long vote count, and took office January 27, 2026, returning the National Party to power after four years. One of the new government's clearest investor-relevant moves has been restoring Honduras's membership in ICSID, the World Bank's arbitration body, effective mid-August 2026 - reversing a 2024 withdrawal by the previous Castro government and reopening a recognized channel for investor-state dispute protection. Free-zone and maquila manufacturing

remains a genuine strength, with Honduras ranked second in Latin America for number of free trade zones and roughly \$6.1 billion in maquiladora-sector installed capital, while H1 2026 FDI reached \$675.8 million, up sharply from the same period of 2025.

Two risks sit alongside that momentum. First, the legal status of Honduras's special economic zones (ZEDEs) remains unresolved: a September 2024 Supreme Court ruling declared the zones unconstitutional, that ruling has not been overturned, and the flagship Próspera ZEDE is simultaneously pursuing a CAFTA-DR arbitration claim against the Honduran state (as high as \$10.775 billion, with a \$1.63 billion alternative ask) while drawing fresh sovereignty criticism in September 2026 for appointing its own "civil prosecutor" to enforce internal rules. Second, violent crime rose year-on-year for the first time in roughly twelve years in early 2026 (700 homicides in the first 110 days, up 2.79% on the same period of 2025), driven by extortion, drug trafficking and territorial disputes concentrated in Tegucigalpa and San Pedro Sula.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Unresolved constitutional status of special economic zones	A September 2024 Supreme Court ruling declared Honduras's ZEDE zones unconstitutional, yet zones including Próspera continue operating; any new ZEDE-dependent investment carries acute legal uncertainty	Avoid new ZEDE-dependent structuring until the Supreme Court and Asfura government clarify the zones' status; monitor developments closely before committing capital
Pending multi-billion-dollar ICSID arbitration (Próspera v. Honduras, ARB/23/2)	A primary claim of \$10.775 billion (alternative ask \$1.63 billion) creates fiscal and policy uncertainty for the state regardless of outcome, and could shape future zone policy	Track the ICSID case and avoid underwriting zone-specific tax or regulatory assumptions until it resolves
Rising violent crime after a 12-year decline	Homicides rose 2.79% year-on-year in early 2026 (700 deaths in 110 days), driven by extortion, drug trafficking and territorial disputes concentrated in Tegucigalpa and San Pedro Sula	Apply enhanced security planning for urban operations and engage specialized private security where needed
Post-election political polarization	The November 2025 election involved vote-count delays, fraud allegations from the Liberal and Libre parties, and high-profile US political involvement (Trump's endorsement and a pardon for former president Hernandez), creating a polarized institutional backdrop	Monitor National Congress dynamics and institutional relations under the new Asfura government
One-off-heavy FDI composition	H1 2026 FDI growth was significantly boosted by "other capital" inflows tied to fuel-distributor liabilities rather than durable greenfield investment	Evaluate sector-level and recurring investment flows separately from headline FDI totals
Dependence on traditional commodity exports	Coffee, palm oil and banana exports remain exposed to global price swings and weather shocks	Diversify into free-zone manufacturing and logistics rather than relying on commodity-export cycles
Infrastructure gaps outside the Sula Valley corridor	Power reliability and road/port infrastructure lag in areas outside the established San Pedro Sula-Puerto Cortés corridor	Prioritize established logistics corridors for new manufacturing or distribution projects

INVESTOR RISK NOTE

Waverley views Honduras's return to ICSID and its enduring free-zone manufacturing franchise as genuine, investor-relevant positives following a contested but now-concluded political transition. The unresolved constitutional status of the ZEDE regime and the pending multi-billion-dollar Próspera arbitration are acute, specific risks that should be ring-fenced from the broader free-zone and port-logistics opportunity rather than allowed to color the whole market; the uptick in violent crime after over a decade of improvement likewise warrants close monitoring rather than alarm.

MARKET ACCESS

As a CAFTA-DR member with a US-dollar-pegged lempira, Honduras offers preferential US market access and currency stability for export-oriented investment. Puerto Cortés provides Central America's principal deep-water Caribbean port, and Honduras's August 2026 return to ICSID restores a recognized international channel for investor-state dispute protection that had been unavailable since 2024.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Honduras Produce / Invest Honduras	The government's primary investment-promotion vehicle under the new Asfura administration	First point of contact for incorporation, incentive guidance and sector introductions
Ministry of Economic Development	Sets trade and industrial policy, including CAFTA-DR implementation and free-zone regulation	Engage for regulatory and trade-policy matters
Central Bank of Honduras (BCH)	Publishes FDI, growth and inflation data	Primary source for verifying sector-level and bilateral investment data
National Congress (National Party-led, post-Jan 2026)	Sets the legislative agenda, including any future ZEDE-related legislation	Monitor for legislative developments relevant to the special-economic-zone framework
Supreme Court of Justice	Holds the unresolved September 2024 ruling declaring ZEDE zones unconstitutional	Monitor closely before committing to any ZEDE-linked investment
Asociación Hondureña de Maquiladores (AHM)	Represents and coordinates the free-zone and maquila manufacturing sector	Primary channel for free-zone and textile/apparel manufacturing introductions
ICSID (World Bank arbitration body)	Honduras rejoined in August 2026; currently hosts the pending Próspera v. Honduras arbitration (ARB/23/2)	Relevant for investor-state dispute protection and monitoring the Próspera case outcome

CURRENT INTERNATIONAL BUSINESS CHANNELS

Most inbound capital flows through Invest Honduras-facilitated incorporation, AHM-coordinated free-zone and maquila entry, and direct engagement with Puerto Cortés and Palmerola logistics operators. ZEDE-linked ventures engage directly with zone administration, subject to the unresolved constitutional overhang and pending arbitration.

INVESTOR PROFILE BEST SUITED

Best suited to free-zone and maquila textile/apparel manufacturers targeting the San Pedro Sula/Choloma corridor; port, logistics and aviation-distribution investors around Puerto Cortés and Palmerola; agro-export processors in coffee, palm oil and bananas; and, only for investors with high risk tolerance and specialized legal counsel, ZEDE/Próspera-linked ventures pending legal resolution.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm sector and corridor fit

Decide between free-zone manufacturing, port/logistics, agro-export, or (with caution) ZEDE-linked investment, and select a location corridor accordingly.

STEP 2: Engage Invest Honduras and AHM

Confirm free-zone incentive eligibility and registration requirements through the Asociación Hondureña de Maquiladores before committing capital.

STEP 3: Obtain specialized counsel for any ZEDE exposure

For Próspera or other zone-linked structuring, retain counsel versed in the unresolved constitutional status and pending ICSID arbitration.

STEP 4: Assess security exposure by location

Prioritize the established San Pedro Sula-Puerto Cortés corridor and apply enhanced security planning in higher-crime urban areas.

STEP 5: Monitor Congress and Supreme Court developments

Track legislative and judicial signals relevant to the special-economic-zone framework and the broader investment climate.

WAVERLEY'S ROLE

- Track the Próspera v. Honduras ICSID arbitration (ARB/23/2) and any Supreme Court action on the ZEDE ruling
- Monitor post-election political dynamics between the Asfura government, Congress and the judiciary
- Coordinate introductions to Invest Honduras, the AHM, and Puerto Cortés/Palmerola logistics operators
- Screen free-zone manufacturing and port-logistics opportunities against current security and incentive data

INVESTOR CALL TO ACTION

Waverley Gateway positions investors to capture Honduras's renewed ICSID access and enduring free-zone manufacturing franchise while explicitly ring-fencing the unresolved ZEDE legal overhang and rising security risk - engage now to secure positioning in the established Sula Valley corridor.

Sector and corridor screening -> Legal and security due diligence -> Institutional introductions -> Structured entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in free-zone and maquila manufacturing across the San Pedro Sula/Choloma corridor, port and logistics investment at Puerto Cortés, aviation-distribution logistics around Palmerola International Airport, and agro-export processing, alongside a narrower, higher-risk pipeline of ZEDE-linked tourism and special-zone ventures pending legal resolution.

POSITIONING

Honduras combines a genuine, longstanding free-zone manufacturing franchise with a meaningful investor-relevant policy signal: its August 2026 return to ICSID restores international arbitration protection after a 2024 withdrawal, under a new government that took office following a contested but concluded election.

That opportunity sits alongside two specific, trackable risks - the unresolved constitutional status of the ZEDE regime and its pending multi-billion-dollar arbitration, and a rise in violent crime after twelve years of improvement. Waverley frames Honduras as a solid free-zone and logistics market best entered through the established Sula Valley corridor, with ZEDE-linked investment reserved for specialists willing to track the legal process closely.

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