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Honduras: An Overview

Honduras historically has been a close U.S. partner in Central America. Recurrent instability and weak rule of law have hindered Honduras's development, however, and contributed to transnational challenges, including migration and drug trafficking. The 119th Congress may monitor developments in Honduras, including elections scheduled for November 2025, and could seek to shape bilateral engagement on issues such as migration and security, democracy and human rights, and trade and investment.

Domestic Situation

Honduras has struggled with authoritarian governance for much of its history, and—despite holding regular elections since 1981—the country's democratic institutions remain fragile. President Xiomara Castro of the left-wing Liberty and Re-Foundation (LIBRE) party was inaugurated to a four-year term in January 2022. She came to office pledging to rebuild the rule of law in the aftermath of a 2009 coup and 12 years of governance by the right-wing National Party (PN), during which checks and balances eroded and top officials engaged in drug trafficking and were accused of widespread corruption.

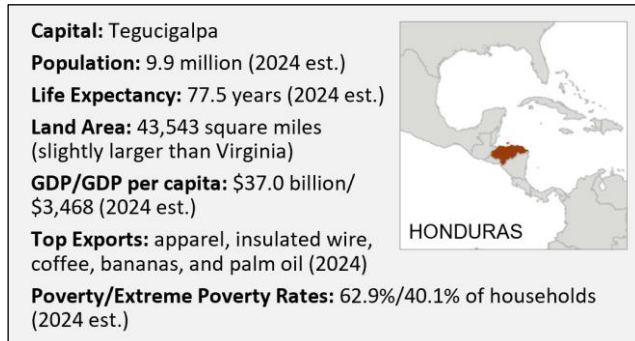
Although Castro initially was backed by a broad coalition, her support base appears to have shrunk since her election amid a perceived lack of progress in addressing some of the country's challenges. The unicameral Honduran congress, in which LIBRE and allies hold 40 of 128 seats, has adopted some anti-corruption legal reforms, but Castro has yet to fulfill her campaign pledge to establish a UN-backed anti-corruption mission. Several non-LIBRE-aligned Cabinet members have resigned over policy differences. Some Hondurans have raised concerns about high-level appointments of Castro's family members—including her husband, former President Manuel Zelaya (2006-2009)—and the ways in which Castro-aligned legislators secured control of the congress and appointed the attorney general. Some opposition legislators, civil society activists, and journalists have reported harassment and intimidation by Castro administration officials and LIBRE supporters.

Socioeconomic Conditions

The Honduran economy is highly dependent on exports of agricultural commodities (e.g., coffee, bananas) and low-value-added manufactured products (e.g., apparel) as well as remittances from migrants abroad. Although market-oriented policies implemented since the 1980s have contributed to macroeconomic stability, weak institutions and other domestic challenges have hampered economic growth and poverty reduction. Between 2022 and 2024, Honduras's annual gross domestic product (GDP) growth averaged 3.8%; the International Monetary Fund projects 3.5% GDP growth in 2025. The country's poverty rate fell

from 73.6% in 2021 to 62.9% in 2024 but remains above the pre-COVID-19 pandemic rate of 59.3% in 2019.

Figure 1. Honduras at a Glance



Sources: Instituto Nacional de Estadística de Honduras, International Monetary Fund, and Trade Data Monitor

Security Conditions

Honduras experiences high levels of violent crime, much of which appears to be attributable to transnational criminal organizations and gangs seeking to control illicit markets. Under a *state of exception* to combat extortion, in force since December 2022, the Castro administration has suspended certain constitutional rights, such as freedom of movement and association, and allowed warrantless searches and arrests in 226 of Honduras's 298 municipalities. Although the country's homicide rate reportedly declined from 41.7 per 100,000 in 2021 to 26.1 per 100,000 in 2024, extortion reportedly increased by 14% between 2022 and 2024. Human rights advocates have documented some abuses by security forces.

2025 Elections

Honduras is preparing to hold presidential, legislative, and municipal elections on November 30, 2025. The presidential election appears to be a three-way race between Rixi Moncada of LIBRE, Castro's former defense minister; Nasry Asfura of the PN, a former mayor of Tegucigalpa and 2021 presidential runner-up; and Salvador Nasralla, a media personality backed by the center-right Liberal Party who served as one of Castro's presidential designates (vice presidents) until resigning in April 2024. A plurality of the vote is needed for victory.

There is widespread concern among many Hondurans and international observers about whether the elections will be free and fair. Primary elections held in March 2025 were marred by logistical failures. Some Honduran civil society organizations also have expressed concerns about political violence, restrictions on civil liberties under the state of exception, the use of public resources to favor LIBRE, and potential illicit financing of campaigns by criminal groups.

The Organization of American States (OAS) and various Honduran civil society organizations, among others, are observing the electoral process.

U.S.-Honduras Relations

U.S. policy in Honduras historically has sought to promote regional security and stability. Since the 1980s, a U.S. military presence, Joint Task Force (JTF)-Bravo, has operated out of Soto Cano Air Base in Comayagua to conduct security and humanitarian missions throughout the region. Over the past decade, U.S. policy in Honduras has focused primarily on reducing unauthorized migration to the United States. U.S. agencies obligated nearly \$1.6 billion in foreign assistance between FY2015 and FY2024 to improve living conditions in Honduras, achieving mixed results. During its foreign assistance review, the Trump Administration reportedly terminated \$167 million obligated in FY2024 and 2025 for Honduras, including most economic and governance aid.

Migration and Security Cooperation

In January 2025, President Castro reportedly suggested that Honduras might expel JTF-Bravo if the Trump Administration moved to deport the estimated 1.1 million Hondurans unauthorized to reside in the United States. Mass deportation could prove damaging to the Honduran economy, since remittances from Hondurans abroad (about 85% in the United States) exceeded \$9.7 billion (26% of Honduras's GDP) in 2024. Despite initial tensions, Castro has continued to cooperate on U.S. deportations, with 19,552 Hondurans returning from the United States, either as deportees or voluntarily, between January and August 2025. That total is a 16% increase compared with returns during the same period of 2024 and exceeds the 10,817 Hondurans encountered by U.S. Customs and Border Protection during the first eight months of 2025. Some returnees reportedly assert they were mistreated in U.S. custody. On September 8, 2025, the Trump Administration terminated Temporary Protected Status for Honduras, ending relief from removal for some 51,225 Hondurans who have resided in the United States since 1998 or earlier.

The Castro administration has cooperated with the Trump Administration on some other migration and security matters. The Honduran government has allowed the repatriation of some Venezuelan nationals via Soto Cano Airbase and has signed an agreement that allows the U.S. government to transfer some third-country asylum seekers to Honduras instead of evaluating their protection claims in the United States. Additionally, the Honduran government has agreed to maintain a bilateral extradition treaty through the end of Castro's term; under the agreement, more than 60 Hondurans—including former President Juan Orlando Hernández (2014-2022)—reportedly have been extradited to the United States, primarily on drug trafficking charges. In August 2025, U.S. Attorney General Pam Bondi alleged that Venezuelan drug traffickers have bribed unspecified individuals to transport cocaine through Honduran airspace.

Congress could assess U.S.-Honduran migration and counternarcotics cooperation as it considers FY2026 appropriations and other measures. Similar to legislation enacted since FY2016, the National Security, Department

of State, and Related Programs Appropriations Act, 2026 (H.R. 4779), would condition some aid to the Honduran government on whether the government cooperates on certain security and migration issues. Congress also could assess how the 1% tax on remittance transfers enacted in the FY2025 reconciliation law (P.L. 119-21) may impact Honduran households and migration trends.

Democracy and Human Rights

In the lead-up to Honduras's 2025 elections, some Members of Congress have expressed renewed concerns about democracy and human rights in Honduras. The Protect Honduran Democracy Act (H.R. 4202, incorporated, in part, into H.R. 5300) would direct the State Department to establish a strategy to promote free and fair elections in Honduras, authorize assistance for observation efforts, and direct the President to impose visa restrictions on individuals who impede free and fair elections. H.Rept. 119-217, accompanying H.R. 4779, would direct the State Department to report to Congress on the Honduran government's performance on democratic governance and human rights, among other issues.

Some observers have expressed concerns about how the Trump Administration's policies may impact democracy and human rights efforts in Honduras. For example, the Administration terminated assistance for some Honduran organizations working on such issues and does not appear to have commented publicly on a Honduran congressional investigation into former U.S. partners for allegedly attempting to "destabilize" the Honduran government. Although the Administration has provided some funding for the OAS election observation mission in Honduras, it is unclear how the Administration may respond to any potential electoral fraud. In 2017, the first Trump Administration opted to recognize the disputed reelection of then-President Hernández despite an OAS assessment that the electoral process had been plagued by "irregularities."

Trade and Investment

U.S.-Honduran goods trade was valued at \$12.6 billion in 2024. U.S. exports to Honduras totaled \$7.1 billion, led by mineral fuels, apparel inputs, electrical machinery, and cereals. U.S. imports from Honduras totaled \$5.5 billion, led by apparel, insulated wire, coffee, and fruit. Under the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR; P.L. 109-53), nearly all U.S.-Honduran goods trade is to be duty free. Since April 2025, however, President Trump has imposed a 10% tariff on Honduran goods under the International Emergency Economic Powers Act of 1977 (50 U.S.C. §§1701 et seq.), citing a purported lack of reciprocity in trade relations.

In 2024, U.S. foreign direct investment in Honduras totaled \$1.4 billion, 56% of which was invested in manufacturing. Some businesses report that Honduras's investment climate has deteriorated under President Castro. H.Rept. 119-217, accompanying H.R. 4779, would direct the State Department to engage with the Honduran government on commercial disputes, refer all U.S. property and financial claims against Honduras to the Department of Justice Foreign Claims Settlement Commission, and report to

Congress on expropriations and other Honduran government actions affecting U.S. investors.

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