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Report Highlights:

Sugar production and exports in Honduras are projected to increase in MY 2026/27, supported by higher yields, expanded harvested area, and continued investment in the sector. Productivity gains in MY 2025/26 were driven by modernization efforts, improved irrigation systems, precision agriculture, and climate recovery initiatives. For MY 2026/27, production of both sugar cane and centrifugal sugar is forecast to rise by 2 percent, consistent with MY 2025/26 levels, while exports are expected to grow by 3 percent. Total harvested area is estimated at 57,000 hectares, yielding approximately 5.7 million of sugarcane, with centrifugal sugar exports projected at 212,460 metric tons.

PRODUCTION

Sugarcane:

Sugarcane planted area is projected to grow by 1.8 percent, from 57,000 hectares in MY 2025/26 to 58,000 hectares in MY 2026/27. This expansion is driven by recovery from El Niño/La Niña effects, increased financing for small-scale farmers, and improved global prices (18 cents/lbs). Due to the [Agrarian Reform Law of 1974](#) (in Spanish), which limits land ownership for sugar mills, the industry has prioritized productivity gains through investments in drip irrigation, water harvesting, improved seeds, and fertilizers. Mills also support independent producers with technical assistance and irrigation systems. As a result, sugarcane yield has risen by 28 percent from MY 1980/81 to 2023/2024 (figure 2), and planted area has expanded by 4.5 percent from MY 2022/23 to MY 2026/27, with productivity improving by 1.4 percent to 5.7 million metric tons in MY 2026/27 (figure 1).

Of the total harvested area for sugarcane in Honduras, 96 percent is dedicated to sugarcane production, while 4 percent is allocated for research and replanting. The sugarcane harvest for MY 2026/27 is projected at 5.7 million MT, a 2 percent increase from the revised estimate of 5.6 million MT in MY 2025/26. This growth is driven by enhanced mill productivity, advanced drip irrigation systems, improved sugarcane varieties, and precision agriculture techniques. Additionally, sugar mills have boosted extraction efficiency, streamlined production logistics, and invested in modern equipment to optimize output.

According to [Trading Economics](#) the country's economy has maintained a positive trajectory, with a cumulative growth of 4.4 percent through June 2025, driven primarily by a sustained recovery in domestic demand, particularly household consumption. On a year-over-year basis, Honduran agriculture production increased between 3.8 percent compared to June 2025. Source: (Economic Commission for Latin America page 23 [CEPAL](#)).

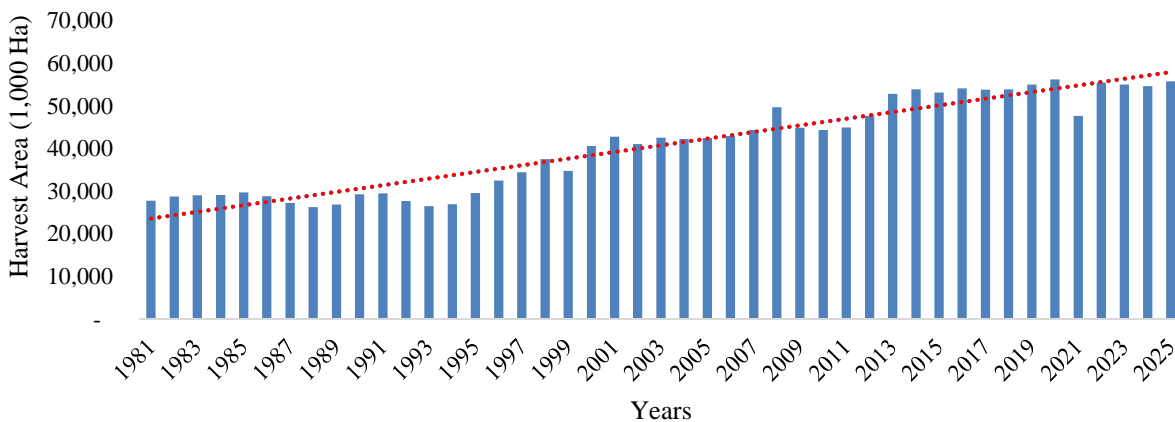
The Honduran economy and the sugarcane sector are gradually recovering from the adverse climatic effects of El Niño and La Niña, which led to prolonged droughts and increased input costs, particularly for fertilizers and fuel. Despite these challenges, productivity is steadily improving. Consumer prices for sugar are expected to remain high, ranging from \$0.45 to \$0.53 per pound in calendar year (CY) 2026, driven by production costs and strong export demand fueled by improved international prices.

As of March 2026, 85 percent of the sugarcane harvest has been completed. All seven sugar mills are fully operational, and the harvested sugarcane has been processed for the 2025–2026 cycle.

Honduran Sugar Mills Currently in Operation:

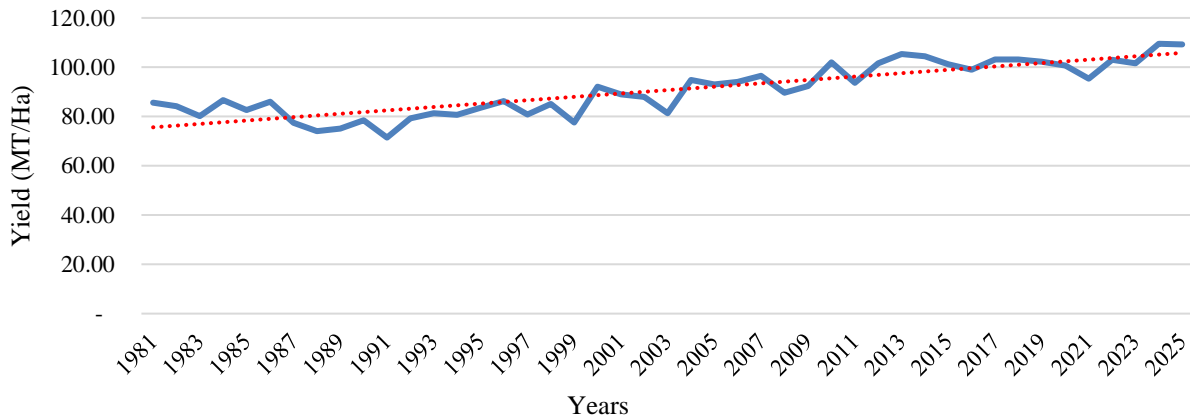
- **Compañía Azucarera Hondureña S.A.:** Founded in 1938, located in Bufalo, Municipality of Villanueva, Cortés, it has an installed capacity to process 13,000 tons of cane per day, and processes around 13,978 hectares of sugar cane.
- **Azucarera La Grecia S.A.:** Founded in 1976, located in the Municipality of Marcovia, department of Choluteca, it has an installed capacity to process 8,000 tons of cane per day, processes more than 12,580 hectares of sugar cane.
- **Azucarera Tres Valles S.A.:** Founded in 1976, located in the Municipality of Cantarranas, department of Francisco Morazán, it has an installed capacity to process 5,500 tons of cane per day, processes more than 6,290 hectares of sugar cane.
- **Azucarera del Norte S.A.:** Founded in 1974, located in Guanchías, Municipality of Santa Rita, Yoro, it has an installed capacity to process 6,500 tons of cane per day, processes more than 7,688 hectares of sugar cane.
- **Compañía Azucarera Chumbagua:** Founded in 1948, located in the area known as Los Valles, jurisdiction of the Municipality of San Marcos, Santa Bárbara, it has an installed capacity to process 6,000 tons of cane per day, processes more than 6,290 hectares of sugar cane.
- **Azucarera Choluteca S.A.:** Founded in 1968, located in the Municipality of Marcovia, Choluteca, it has an installed capacity to process 6,000 tons of cane per day, processes more than 5,940 hectares of sugar cane.
- **Azucarera Yojoa S.A.:** Founded in 1976, located in the Municipality of Río Lindo, Cortés, it contributes about 7 percent of the national production with more than 3,494 hectares of sugarcane.

Figure 1. Sugarcane Harvest Area (1000 Ha) in Honduras 1981-2025.



Source: Honduras Sugar Producers Association APAH

Figure 2. Sugarcane Yields (MT/Ha) in Honduras 1981-2025.



Source: Honduras Sugar Producers Association APAH

Sugar:

Centrifugal Sugar production for MY 2025/26 is forecast to reach 560,000 MT, reflecting a 2.19 percent increase from the revised estimate of 548,000 MT in the previous year. The Honduran sugar industry has invested in field technology, agricultural research and development, drip irrigation systems, and improved agricultural supplies to enhance productivity. Despite these advancements, the sucrose recovery rate from sugarcane remains between 9 and 10 percent.

In Honduras, the private sector oversees the production, commercialization, and distribution of sugar, with the industry represented by the Honduran Sugar Producers Association (APAH). Seven sugar mills are members of APAH, collectively owning 70 percent of the cultivated sugarcane area, while the remaining 30 percent is owned by independent producers. The sugar industry employs around 40 percent of the economically active population in rural areas, providing approximately 200,000 direct and indirect jobs during each harvest. The sector supports between 200,000 and 350,000 jobs, meaning that a poor harvest would have a significant impact on rural incomes.

On food security issues, a reduced local supply might increase reliance on imports, though Honduras remains self-sufficient in sugar. The sugar industry in Honduras consists of seven sugar mills and 11 warehouses for sugar storage. Significant investments have been made in sugarcane varieties, infrastructure, and equipment, leading to enhanced refining capacity and improved sugar recovery rates.

The economic contribution of the sugar industry in Honduras is approximately \$410 million per year. The distribution of this economic value shows that supplier purchases account for the largest share at 56 percent, followed by wages and salaries at 21 percent, new investments at 15 percent, taxes at 7 percent, and occupational health and safety at 1 percent.

CONSUMPTION

Domestic sugar cane consumption in Honduras is expected to reach 357,500 MT for MY 2026/27, marking a 1.1 percent increase from the revised estimate of 354,000 MT for MY 2025/26. This rise is primarily driven by a surge in demand from the food industry, a direct result of the revitalization of the Honduran economy, which experienced a robust GDP growth of 4 percent in MY 2024/25, with a projected 3.5 to 4.0 percent rebound in MY 2025/26 driven by domestic demand and remittances ([Honduras Central Bank Monetary Policy Bulletin](#) (in Spanish)).

Domestic sugar consumption in Honduras is expected to align with the forecasted level of 357,500 MT for MY 2026/27. This growth has been primarily driven by increased demand in the industrial sector, bolstered by the recovery from the economic and climatic challenges of 2019-2022, as well as the natural population growth in the country, 1.50 percent in CY 2025 and 1.68 percent in CY 2026.

The sugar industry continues to prioritize the domestic market to ensure national supply and food security. In 2025, the average domestic price for white sugar is approximately 8 percent higher than international prices, largely due to the depreciation of the local currency (the Honduran Lempira) against the U.S. Dollar. Any increase in sugar prices in the domestic market must be authorized by the Government of Honduras (GOH), and so far, no such increase has been granted.

Per capita sugar consumption is estimated at 76 pounds per person, with 48 percent of it used in the industrial sector for beverages, candy, and baked goods and the remaining 52 percent for direct consumer use. Domestic consumption grew by 2.49 percent in MY 2025/26, reaching 354,000 MT, compared to 349,200 MT in MY 2024/25. This increase was fueled by economic recovery and improved conditions, including a rise in industrial consumption and more efficient business operations, consumption is projected at 357,500 MT for MY 2026/27.

In Honduras, the consumption of alternative sweeteners remains minimal and has no significant impact on overall sugar demand, as sugar is still more affordable for most of the population. Changes to wholesale sugar prices are subject to authorization by the Secretariat of Economic Development, as sugar is considered an essential food and industrial product in the basic basket of goods that directly affects the cost of living for consumers.

Table 1. Average Sugar Prices for Plantation White (Standard) and Refined Sugar Honduras, 2025 and 2026

MY 2024/25

<i>US\$/pound</i>		
Market place	Plantation white (Standard)	Refined
Wholesale	0.45	0.45
Consumer	0.51	0.54

Source: Honduran Sugar Producers Association (APAH)

MY 2025/26

<i>US\$/pound</i>				
Market place	Plantation White (Standard)	Refined	Percent Change (plantation white)	Percent Change (refined)
Wholesale	0.45	0.45	n/a	n/a
Consumer	0.53	0.54	3.92	n/a

Source: Honduran Sugar Producers Association (APAH)

Over the past year, the domestic consumer price of sugar (both plantation white and refined) has experienced steady prices and no change except for plantation white of 3.92 percent in the consumer market. This decline can be attributed to strong production periods starting in 2022, as well as effective government interventions (Table 1). The price in U.S. dollars remained relatively stable due to the offsetting effects of the fluctuating dollar exchange rate and the depreciation of the local currency against the U.S. Dollar.

TRADE

Exports:

Sugar exports for MY 2026/27 are forecast at 212,460 MT, a 3.14 percent increase compared to the revised MY 2025/26 estimate of 206,000 MT. This growth is attributed to improved international prices and increased production. Honduras exports between 35 to 60 percent of its sugar production, capitalizing on high global prices and utilizing its Central America-Dominican Republic Free Trade Agreement (CAFTA-DR) quotas.

Honduras fully utilized its TRQ allocations under the WTO Agreement and its agreements with the United States and the European Union in MY 2024/25. After fulfilling these quotas, the sugar mills export to other markets. However, due to the FTA with Taiwan, sugar can only be exported through a third country, not directly to Taiwan.

The Dominican Republic-Central America Free Trade Agreement (CAFTA-DR) allocates a TRQ of 11,040 MT for 2025 and 11,200 MT for 2026, a 1.45 percent increase from 2025. The WTO TRQ for Honduras is 10,758 MT for 2025, and 10,758 MT for 2026. The EU FTA allocates a TRQ of 22,602 MT for 2025 and 22,864 MT for 2026, up 1.16 percent from the previous year. The UK TRQ is set at 7,780 MT for 2025 and 7,863 MT for 2026, marking a 1.06 percent increase.

Sugar exports to international markets have declined in MY 2024/25. Between 2024 and 2025, Honduras experienced a notable shift in its sugar export landscape. Overall, total sugar exports declined, with the most significant drop observed in shipments to the United States, which fell from approximately \$22.08 million in MY 2024/25. This reduction was mirrored in other major markets such as Haiti, South Korea, the United Kingdom, the Dominican Republic, and Puerto Rico, Colombia, Mexico, Grenada, Barbados, and Antigua and Barbuda all of which saw decreased import values from Honduras. The decline in exports to the United States is particularly noteworthy, given its status as Honduras's largest sugar market.

In contrast, several countries increased their imports of Honduran sugar during this period. Notably, China and Taiwan emerged as significant new markets, with China importing over \$13 million and Taiwan over \$7 million in 2025, despite no recorded imports in 2024. Other countries such as Trinidad and Tobago, Jamaica, St Lucia, Togo, Spain, Greece, Italy, France, The Netherlands and Germany, also registered increases in their import values. These gains, however, were insufficient to offset the overall decline, as reductions in key traditional markets outweighed the growth in new or smaller destinations.

Honduran sugar exports to the United States declined in 2025, while exports to markets in Asia and Europe increased during the same period. The United States remains Honduras's largest export market for sugar, and export revenues from this market were lower compared to previous periods. Global sugar prices have increased alongside higher international energy prices. Brazil, the world's largest sugar producer, allocates sugarcane between sugar and ethanol production. Higher energy prices are associated with increased ethanol production in Brazil, which can affect global sugar supply. Rising energy costs have also increased expenses for fertilizers and transportation. Ongoing geopolitical tensions have contributed to higher shipping costs and increased volatility in commodity markets. These factors have coincided with an upward trend in international sugar prices.

Honduras also exports sugar under the Central America-Korea Free Trade Agreement, with exports to South Korea reaching 18,000 MT in MY 2024/25, worth \$8.7 million. The Central America-United Kingdom Free Trade Agreement has enabled exports to the UK, with 7,306 MT exported in MY 2024/25, valued at \$4.02 million.

Central American countries, including Honduras, cannot export or import cane sugar within the region under the Central American General Integration Treaty, meaning any surplus must be exported outside of the region.

Honduras abolished its export tax on sugar following WTO recommendations. The top destinations for Honduras's sugar exports in MY 2025 were the United States (28 percent), China (16 percent), Haiti (16 percent), South Korea (10 percent), Taiwan (9 percent), Trinidad and Tobago (6 percent), Jamaica (5 percent), United Kingdom (4 percent), Dominican Republic (3 percent), Puerto Rico (2 percent), Suriname (1 percent) and Other (2 percent). The volume of exports decreased by 18 percent in MY 2024/25 compared to MY 2023/24.

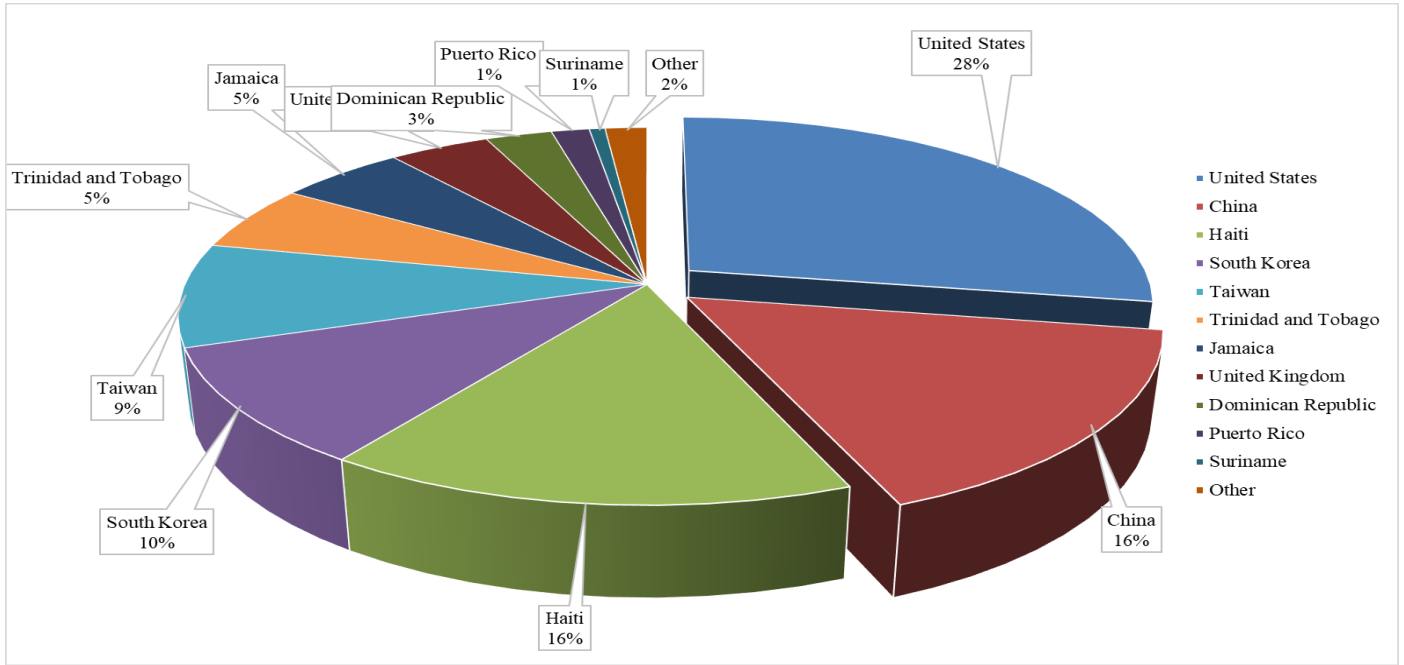
The following chart shows primary export markets by country in metric tons.

Table 2. Honduras - Sugar, Centrifugal Exports (Metric Tons), MY 2025

Country	Metric Tons
United States	49,550
China	29,107
Haiti	28,000
South Korea	18,000
Taiwan	15,851
Trinidad and Tobago	10,033
Jamaica	9,271
United Kingdom	7,306
Dominican Republic	4,825
Puerto Rico	2,759
Suriname	1,144
Other	3,033
TOTAL	178,879

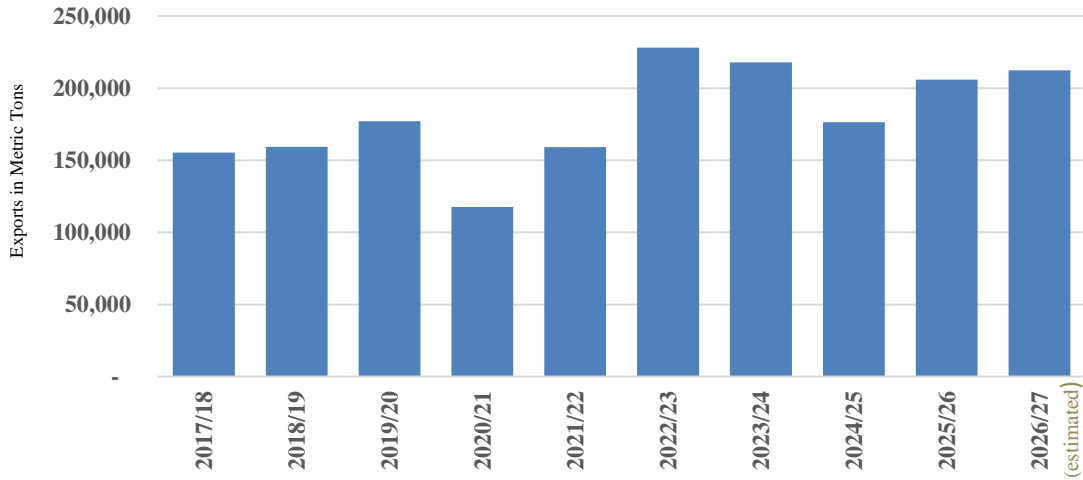
Source: Trade Data Monitor

Figure 3. Honduras Exports to World MY 2024/25 in Metric Tons



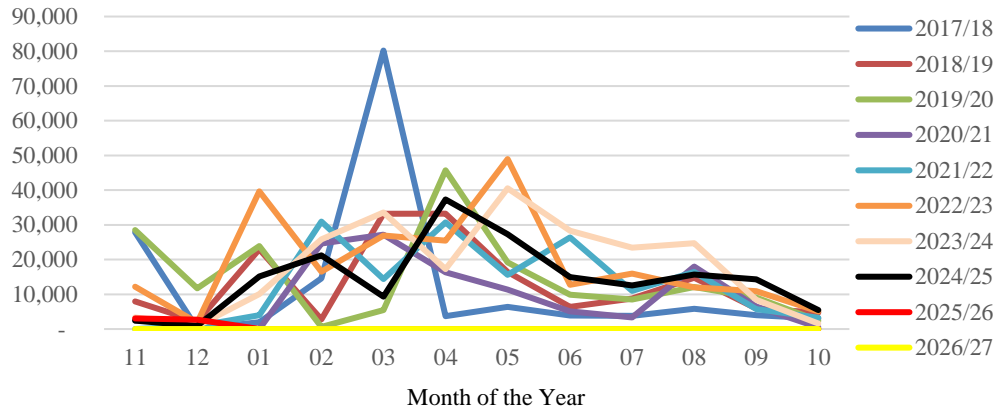
Source: Trade Data Monitor

Figure 4. Honduras Exports to the World in MY 2016-2026 in Metric Tons



Source: Trade Data Monitor

Honduran Exports to the World by Month and Marketing Year

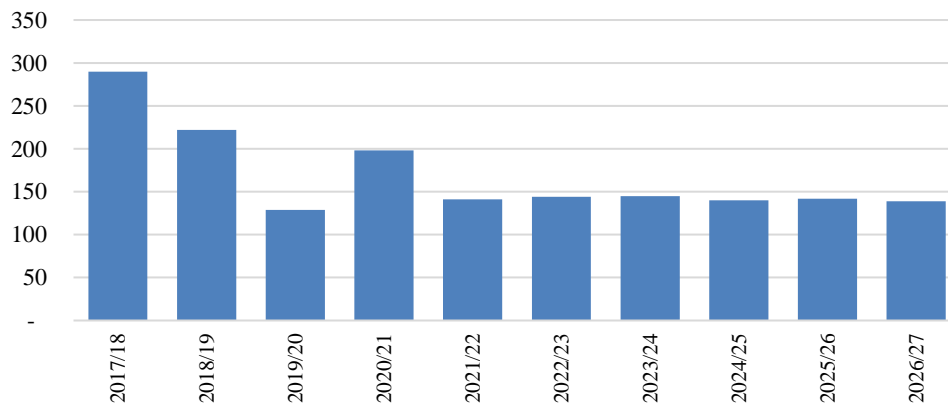


Source: Trade Data Monitor

Imports:

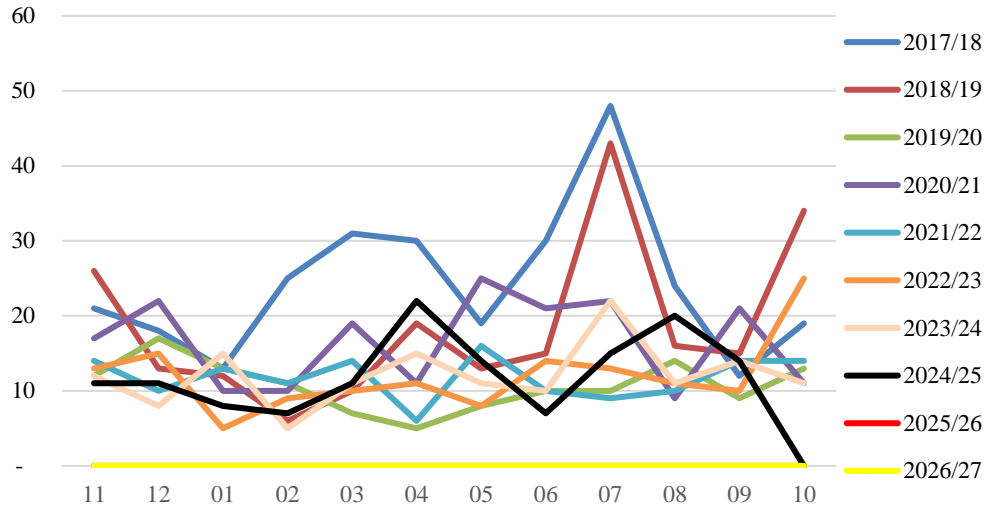
Sugar imports for MY 2024/25 were minimal, with only 158 MT imported from the United States and 1 MT from China, totaling \$477,976 in value according to Trade Data Monitor (Table 3). The import tariff for raw sugar and plantation white (standard) is set between 15 and 20 percent, with no additional consumption tax. For refined sugar, the import tariff is 15 percent, along with a 15 percent consumption tax. By law, all sugar intended for human consumption must be fortified with vitamin A, a requirement fulfilled by the Honduran sugar industry. The import tariff for raw sugar is approximately \$0.22 per kilogram, while the tariff for refined sugar is \$0.18 per kilogram, based on average U.S. sugar contract prices. The charts below show sugar imports by country for MY 2016/17-2025/26 including Post’s forecast for MY 2026/27.

Figure 5. Honduras Imports from World in MY 2016/17-2026/27 in Metric Tons



Source: Trade Data Monitor

Honduran Imports from the World by Marketing Year



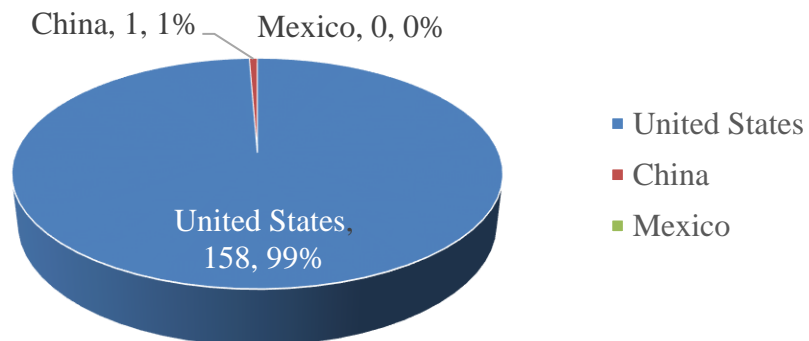
Source: Trade Data Monitor

Table 3. Honduras – Sugar, Centrifugal Imports in Metric Tons, MY 2024 vs. 2025

Country	2024		2025	
	Metric Tons	percent	Metric Tons	percent
United States	146	99	158	99
China	0	0	1	1
Mexico	1	1	0	0
TOTAL	148		160	

Source: Trade Data Monitor

Figure 6. Honduras Imports from World in MY 2025 in Metric Tons



Source: Trade Data Monitor

STOCKS

Stocks are held by seven processors (sugar mills) and stored in CISA warehouses located in Tegucigalpa and San Pedro Sula. Stock levels are expected to remain stable at 198,000 MT through the end of MY 2025/26, following trends observed in production and exports during MY 2023/24 and MY 2024/25 (Table 4).

POLICY

Sugar Sector Related Policies in Honduras:

- The sugar industry in Honduras is a socially responsible sector, having consistently earned recognition for its commitment over the years. This designation involves a thorough evaluation process, adhering to the Global Reporting Initiative (GRI) sector supplement for Non-Governmental Organizations, the Sustainable Development Goals (SDGs), CSR Indicators approved with ISO 26000, and the Accountability Standard (AA1000SES).
- Sugar mills face limitations regarding the amount of land they can cultivate. The Agrarian Reform Law has set a ceiling on land ownership, compelling sugar mills to rent nearby suitable lands to expand their planting areas.
- During the harvest months of November to May, sugar mills generate the energy they require by utilizing bagasse, producing 130 Megawatts per hour (MWh), with the potential to generate up to 344 MWh of electricity. Excess energy is sold to the National Enterprise of Electric Energy (ENEE). Sugar mills contribute approximately 10 percent of the renewable energy produced in Honduras. The sugar mills sell electricity at an average rate of \$0.09 per Kilowatt, significantly lower than the \$0.25 per Kilowatt charged by other energy companies. However, from June to October, when there is no sugarcane harvest, energy production is limited.
- Under the 2007 Law for Production and Consumption of Biofuels, modified by Decree 295-2013, biofuel producers in Honduras enjoy marketing incentives such as exemptions from customs tariffs, corporate taxes, and other related taxes for a period of 12 years. The law mandates a 10 percent ethanol blend starting in 2015, with a planned increase to a 20 percent blend by 2020. APAH played a key role in lobbying for the law's approval and continues to support its full implementation. While the regulation for this law has been drafted, it is still awaiting approval from Congress.
- Established under Decree 161-2005, the National Sugar Council was created through collaboration between the Secretariat of Agriculture and Livestock, the Secretariat of Economic Development, sugar mills, and independent producers. Its purpose is to regulate matters concerning land tenure and technical assistance between independent producers and sugar mills.

MARKETING

The primary revenue-generating activities within Honduras' sugar sector include domestic sugar production for local distribution, export sales, and power generation from renewable energy, which has increasingly become a key driver for diversification and income growth. In Honduras, approximately 64 percent of sugar is distributed domestically, while the remaining 36 percent is exported. Of the sugar exported, the United States (28 percent) and China (sixteen percent) are the largest consumers, with the remainder of exports going to the global market. In 2025, sugar exports were valued at approximately \$98.9 million.

Sugar from independent producers is handled through private contracts negotiated directly between the mills and producers. These contracts guarantee the purchase of 100 percent of the cane production, with logistics for the harvest process coordinated by the mills. As this is a private commercial arrangement, producers are free to choose which mill to contract with, though typically, only one mill is viable due to geographical proximity.

The seven sugar mills in Honduras sell their output to a central warehouse company, Central de Ingenios (CISA), which is owned by the Honduran Sugar Producers Association (APAH). CISA, founded in 1980, manages 11 warehouses across the country and oversees nationwide distribution. To adapt to market demands, CISA has launched marketing initiatives for new brands and improved packaging. The company has also expanded its distribution reach, particularly in the northern region, and switched to 50-kilogram (110-pound) bags to align with regional standards. Additionally, CISA offers small packages of both brown and white sugar, catering to restaurants, hotels, and retailers.

Honduran Marketing Brands Created by CISA for Sugar Distribution in Supermarkets:

- **Azucar el Cañal Premium** (750- and 1,500-grams bag presentation)
- **El Cañal** (460-, 920- and 1800-grams bag presentation)
- **Doña Matilde** (White Sugar: 460-, 920-, and 1,800-grams bag presentation blue packaging)
- **Doña Matilde** (Brown Sugar: 1800 grams bag presentation red packaging)
- **Prieta** (White Sugar: 460-, 920-, and 1800-grams bag presentation)

Among the Sugar by-products Marketed in Honduras are the following:

- a) **Sugar:** Because it is a natural source of energy and free from all types of artificial chemicals, Honduran cane sugar is used in various food products and beverages. This natural sweetener is also used to form a pH buffering system, and its properties and energy value are key for the performance of the human brain and body.
- b) **Molasses:** This is produced after the process of obtaining raw and refined sugar, resulting in a dense, dark syrup left after crystallization. Various consumer products are made from molasses. For example, panela, whether in its traditional compact form or as granules, powder, or even flavored, is also used as animal feed due to its important properties and nutritional value. In other places, it is used as a raw material for producing alcoholic beverages such as rum.

- c) **Bagasse:** The pulp obtained from milling sugarcane is known as bagasse or biomass.
- d) **Filter Cake (Cachaza):** Formed from the residues obtained during the clarification process of cane juice, it is used as fertilizer. "Cenichaza," formed from filter cake and bagasse ash, is used as fuel for the mills' boilers, thus reducing environmental impact.
- e) **Ethanol:** This is a project that the Honduran Sugar Cane Industry is ready to invest in and develop. The goal is to produce a national fuel and raw material to be blended at 5 to 10% with imported gasoline, thereby taking advantage of Honduran resources, such as domestic sugarcane, and reducing dependence on foreign sources.
- f) **Clean and Renewable Energy:** The combustion of bagasse, or "cane pulp" resulting from milling, generates one of the most important byproducts created by this industry: electricity. This reduces dependence on petroleum and contributes to the conservation of the planet.

Table 4. Production, Supply and Distribution

Sugar, Centrifugal	2024/2025		2025/2026		2026/2027		
Market Begin Year	Oct 2024		Oct 2025		Oct 2026		
Honduras	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
							(Units)
Beginning Stocks	198	198	198	198	0	198	(1000 MT)
Beet Sugar Production	0	0	0	0	0	0	(1000 MT)
Cane Sugar Production	530	524	548	560	0	570	(1000 MT)
Total Sugar Production	530	524	548	560	0	570	(1000 MT)
Raw Imports	0	0	0	0	0	0	(1000 MT)
Refined Imp. (Raw Val)	0	0	0	0	0	0	(1000 MT)
Total Imports	0	0	0	0	0	0	(1000 MT)
Total Supply	728	722	746	758	0	768	(1000 MT)
Raw Exports	125	140	125	165	0	170	(1000 MT)
Refined Exp. (Raw Val)	40	35	40	41	0	42	(1000 MT)
Total Exports	165	175	165	206	0	212	(1000 MT)
Human Dom. Consumption	365	349	368	354	0	358	(1000 MT)
Other Disappearance	0	0	0	0	0	0	(1000 MT)
Total Use	365	349	368	354	0	358	(1000 MT)
Ending Stocks	198	198	213	198	0	198	(1000 MT)
Total Distribution	728	722	746	758	0	768	(1000 MT)
TS=TD	0	0	0	0	0	0	
Post Notes							

Table 5. Production, Supply and Distribution

Sugar Cane for Centrifugal	2024/2025		2025/2026		2026/2027		
Market Begin Year	Sep 2024		Sep 2025		Sep 2026		
Honduras	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post	
							(Units)
Area Planted	57	56	0	57	0	58	(1000 HA)
Area Harvested	56	56	0	56	0	57	(1000 HA)
Production	5280	5528	0	5600	0	5712	(1000 MT)
Total Supply	5280	5528	0	5600	0	5712	(1000 MT)
Utilization for Sugar	5280	5528	0	5600	0	5712	(1000 MT)
Utilization for Alcohol	0	0	0	0	0	0	(1000 MT)
Total Utilization	5280	5528	0	5600	0	5712	(1000 MT)
TS=TD	0	0	0	0	0	0	
Post Notes							

Attachments:

No Attachments