

# Honduras: The Epicenter of Modern Economic Development

## CURRENT REALITY

The current conditions facing the people of Honduras highlight the dire need for deep reforms. With a GDP per capita of \$2500, Honduras is one of the poorest countries in Central America. It has high levels of institutional corruption, low levels of educational attainment, and some of the highest crime rates in the world. The combined impact of these factors has left millions of Hondurans mired in poverty, driving many to embark on a dangerous trek to the US in search of economic opportunity and a hope for the future.

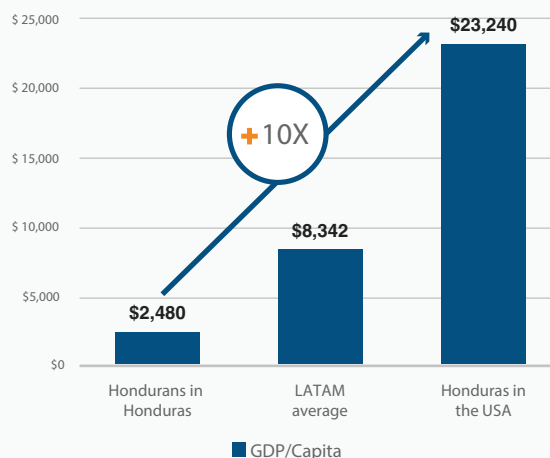
## Untapped Potential

Despite the country's problems, Honduras has a young, hard-working population with a proven ability to multiply its earning power when living and working under robust governance structures.



(Photo: Orlando Estrada/AFP/Getty Images)

### PRODUCTIVITY when living and working abroad under better governance



## The Roadblocks

The Honduran economy has been held back for decades by corrupt individuals in the power centers of the nation. These individuals have enacted many Anti-Competitive Market Distortions that solidify their own business interests while ordinary citizens lose the benefits of increasing global trade and open and competitive markets within their country. Since corruption has made meaningful national-level reform so difficult, another solution is required: building functioning independent institutions and enacting prosperity-maximizing policies within narrow geographic areas, initially distanced from the interests of powerful elites.

## HONDURAS

### Corruption Perceptions Index 2018

#### RANK

**132** /180

#### SCORE

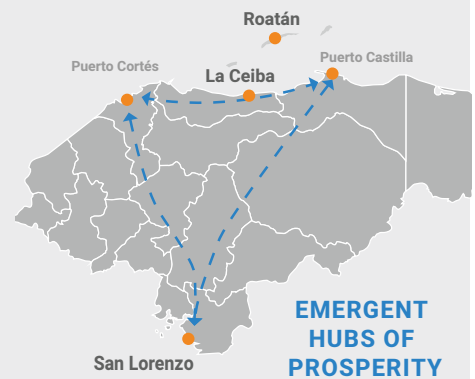
**29** /100

## The Solution



# Honduras Próspera Effects Change

It accomplishes this through a legal framework that unleashes potential and productivity by optimizing governance through world-class legal and regulatory environments. With this governance structure as a foundation, safe and well-managed greenfield sites can be developed into **hubs of prosperity**. Honduran and international businesses can come together in these sites featuring a mixed-use economy and high-labor companies that become self-reinforcing communities – catalyzing economic growth, fostering rootedness, and unleashing prosperity.

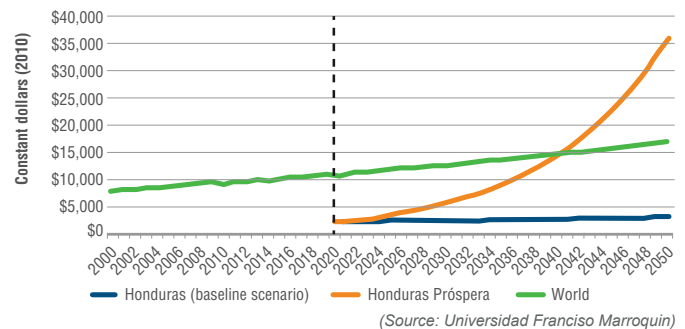


## Impact Potential

**POVERTY ALLEVIATION** – Honduras Próspera creates thousands of jobs in Honduras, with the bulk of them going to Hondurans as stipulated by the program’s regulations. Employers enjoy favorable tax and regulatory conditions, whilst being required to pay at least 10% above the national minimum wage and contribute into privately managed saving accounts of each employee at least 8% of the monthly salary. In addition, according to analysis by independent third parties, GDP growth rates within the Honduras Próspera jurisdiction could exceed 10% per year—more than double the current rate.

**IMPROVED GOVERNANCE** – The jurisdiction which underpins the Honduras Próspera program has adopted world-class governance standards that bring stability, transparency, and efficiency to the program.

### Projection GDP per capita Honduras



**MIGRATION MITIGATION** – Honduras Próspera provides, in Honduras, the conditions that create the opportunity, security, stability and prosperity that thousands seek abroad. The Program acts as a magnet drawing those seeking work and a better life by making opportunity accessible without having to leave their home country.

Note: Program benefits and obligations only apply to projects and areas which voluntarily opt to join Honduras Próspera.

These elements would dramatically increase the quality of life of Hondurans by providing benefits that could surpass those sought abroad within a relatively short time frame.



## Advancing Hondura Próspera

- **The North Bay Prosperity Fund (NBPF)** is an affiliated development investment fund seeking to deploy \$100 million dollars into the program’s initial catalyst phase, targetting the northern corridor and bay islands of Honduras. The NBPF lays a foundation of commerce and good governance, while several subsequent funds are planned to deploy additional capital to broaden that foundation and accelerate the positive impact of Honduras Próspera. The NBPF is a for-profit impact fund, open to private, public, and multilateral investors.
- **The North Bay Foundation** is a social impact organization with the goal of driving economic empowerment and opportunities to the most vulnerable and least fortunate; including women, at-risk youth, and indigenous populations. The North Bay Foundation seeks sustainability of all of its projects through for-profit endeavors, and partnerships.