



HONDURAS  
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**Inputs of the State of Honduras to the request for information by the Office of the United Nations High Commissioner for Human Rights for the thematic report on good practices in the development of the promotion and protection of human rights in the context of recovery from the COVID-19 pandemic**

**Directorate of Research and Compliance with International Commitments**

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## ***Introduction***

This document represents the contributions of the State of Honduras to the thematic report "*Good Practices in the Development of the Promotion and Protection of Human Rights in the Context of the Recovery from the COVID-19 Pandemic*" of the Office of the United Nations High Commissioner for Human Rights.

In this regard, the Secretary of State in the Office of Human Rights, in accordance with its competences under PCM-055-2017, prepared this document with information contained in national human rights reports previously submitted to the Treaty and Charter Bodies of the United Nations.

## ***Inputs***

- 1. Best practices and lessons learned that were informed by policies, initiatives, mechanisms, safeguards, or emergency packages that the Government has put in place to address rising poverty and inequalities in the context of the recovery from the COVID-19 pandemic that helped promote human rights, including the right to development.***

To address the problems arising from both the COVID-19 pandemic, it was necessary for the State of Honduras to adopt a series of measures aimed at addressing the emergency and mitigating the negative effects on economic and social activity, aimed at strengthening the health system, guaranteeing food security, rehabilitating the affected infrastructure, and making jobs sustainable; in addition, to generate conditions that allow the economic reactivation of the productive sectors, for which the following measures were adopted:

*Economic policies, legislation, practices, or strategies that seek to achieve inclusive and green economic growth in line with international human rights standards.*

It is recognized that large industrial economies are the ones that affect the environment the most. In Honduras, the indiscriminate felling of forests, mining, hydroelectric generation companies that also cause social conflicts, the approval of the ZEDES Law and the generation of garbage and industrial waste have caused environmental degradation.<sup>1</sup>

The crisis and environmental damage have resulted in floods, drought, crop failure, reduced agricultural production, pollution and proliferation of diseases, and limited availability of clean water for human consumption and for irrigation and agricultural production. In

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<sup>1</sup> Political Party Freedom and Refoundation. Government Plan to Refund Honduras 2022-2026. Pages 24-25. Available at the link: <https://www.libre.hn/plan-de-gobierno-de-xiomara-2022-2026>

addition to this, the COVID-19 pandemic and hurricanes ETA and IOTA exposed the absence of public policies that prioritize the environment, due to the lack of territorial planning and planning; and coordination between the institutions that make up the forestry and environmental sectors.

That is why President Xiomara Castro's Government Plan for the Refoundation of the Homeland and the Construction of the Socialist and Democratic State in Honduras 2022-2026, proposes an alternative economic model of economic growth and development for all, which seeks to rebuild the basics, transform the country, reduce extreme inequalities and promote sustainable dynamics; which is based on strengthening and growing the role of the State in the economy, especially in strategic areas and public services, and the formulation and execution of environmental policies.

Likewise, the Government Plan seeks to guide investment based on a harmonious coexistence with the environment and towards priority production. To this end, it proposes: 1) Recover water recharge areas, 2) Establish a program for adaptation and mitigation to climate change, in line with regional agreements, 3) Establish a forest ban in conservation areas, 4) Promote through community forestry with agroforestry cooperatives, the generation of decent and permanent employment in rural areas, with incentives for production, forest protection and conservation, 5) Eliminate open-pit mining concessions, among other proposals.

Regarding the actions implemented in response to the Government Plan, on February 28, 2022, the entire Honduran territory was declared free of open-pit mining; the review, suspension and cancellation of environmental licenses, permits and concessions were instructed; it was instructed to cancel the approval of extractive exploitation permits because they are harmful to the State since they threaten natural resources, public health and limit access to water as human rights; and, that natural areas of high ecological value are intervened, ensuring their conservation and benefits in favor of communities and populations.<sup>2</sup>

Regarding public policies on environmental matters, the Ministry of Natural Resources and Environment (SERNA *by its acronym in Spanish*) has public policies in this regard, such as: the

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<sup>2</sup> Statement from the Secretary of State in the Offices of Natural Resources and Environment. Available at the link: [https://m.facebook.com/story.php?story\\_fbid=321654959999698&id=100064655893290](https://m.facebook.com/story.php?story_fbid=321654959999698&id=100064655893290)

National Biodiversity Policies of Honduras 2019-2029<sup>3</sup> and the National Policy of Wetlands and Coastal Marine Spaces of Honduras 2019-2029<sup>4</sup>.

Regarding the instruments or measures in response to the pandemic, with the support of the Japan International Cooperation Agency (JICA *by its acronym in Spanish*), the Guide to Guidelines for the Hygiene and Proper Management of Solid Waste in the COVID-19 Emergency was prepared. The Guide is a consultation and support tool for local governments, public and private institutions, municipal waste collection service providers, health establishments and citizens in general.<sup>5</sup> The guide contains hygiene and biosecurity recommendations to be able to cut the chain of transmission of COVID-19, as well as general measures for the proper management of solid waste, on biosafety protocols, implementation of Personal Protective Equipment (PPE *by its acronym in Spanish*) and especially, on each of the stages of solid waste management in the decreed health emergency from generation, sweeping, collection, transport, treatment and final disposal.

With regard to strategies for the coordination of inter-institutional work, meetings have been held between the Office of the Special Prosecutor for the Environment (FEMA *by its acronym in Spanish*) and SERNA, for the exchange of information for the follow-up of the various cases in which the Office of the Prosecutor is under investigation, as well as support for training processes and the accompaniment of the technical staff of this Secretariat in the multiple actions on the subject. In addition, specific actions will be coordinated for the strengthening and construction of an environmental policy consistent with the new regional approaches, but to build bridges of understanding and joint efforts in favor of all citizens<sup>6</sup>.

*Economic policies, legislation, practices, or strategies that seek to increase social spending, through national and local budgets, for the realization of Economic, Social and Cultural Rights.*

To have budgets and public policies at the service of the majority, the Government Plan to Refund Honduras 2022-2026 proposes a public investment program whose main objective is to support economic growth, through strategic investments in infrastructure, for the benefit

<sup>3</sup> Ministerial Agreement No. 771-2021, published in the Official Gazette No. 35,651. Available at the link:

<https://www.tsc.gob.hn/web/leyes/Acuerdo-Ministerial-771-2021.pdf>

<sup>4</sup> Ministerial Agreement No. 770-2021, published in the Official Gazette No. 35,650. Available at the link:

<https://www.tsc.gob.hn/web/leyes/Acuerdo-Ministerial-770-2021.pdf>

<sup>5</sup> Consulted on the official website of the Secretary of State in the Offices of Natural Resources and Environment. Available at the link: <http://www.miambiente.gob.hn/blog/view/ante-la-emergencia-COVID-19-miambiente-y-ica-lanzan-guia-de-fundamentos-para-higiene-y-manejo-adecuado-de-residuos-solidos>

<sup>6</sup> Available at the link: <https://www.mp.hn/publicaciones/fiscalia-de-medio-ambiente-se-reune-con-nuevas-autoridades-de-recursos-naturales-y-ambiente/>

of the productive sectors, with an emphasis on the provision of services, highways and roads in neglected areas energy, telecommunications, housing, etc.<sup>7</sup>

The Plan also establishes as a priority action "to increase social security coverage as quickly as possible, increasing it year after year, with a view to eventual universal coverage. A universal single income for the vulnerable population and poverty, the same for the [elderly]."

To have a budget in accordance with the new Government aimed at achieving the objectives of the Plan, in April 2022 the National Congress approved the Modification of the General Budget of Revenues and Expenditures of the Republic and its General Provisions, Fiscal Year 2022, through Legislative Decree No. 30-2022, approving an additional budget increase of L. 52,272.3 million<sup>8</sup>.

The allocations of the modified budget are aimed at priority sectors such as the social sector, health, education, sports, security, the fight against poverty and investment in food production. This new budget programmed for public investment was aimed at focused attention to groups in vulnerable situations, economic reactivation, job creation and therefore an improvement in family income and the quality of life and social well-being of the Honduran population.

With the reformulation of the General Provisions of the Budget of the Republic, Article 191 regarding municipal transfers is also reformed, where it instructs that the Municipal Corporations must invest from 5% to 20% of the transfers to address COVID-19, likewise, it instructs the investment of 10% to improve the municipal investment climate, promoting the Micro, Small and Medium Enterprise (MSME) sector by supporting the infrastructure of agricultural and tourist corridors and business development centers, among others.

With respect to health-related rights, to address the effects of the COVID-19 pandemic, the State approved the following provisions:

- i. A state of health emergency was decreed throughout the national territory, through Executive Decree No. PCM-005-2020<sup>9</sup>, extended until December 31, 2021, with the purpose of strengthening surveillance, prevention, control and guarantee of care for people.

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<sup>7</sup> Political Party Freedom and Refoundation. Government Plan to Refund Honduras 2022-2026. Page 7.

Available at the link: <https://www.libre.hn/plan-de-gobierno-de-xiomara-2022-2026>

<sup>8</sup> Legislative Decree No. 30-2022, published in the Official Gazette No. 35,894.

<sup>9</sup> Published in the Official Gazette No. 35,171: amended by Executive Decrees: PCM-016-2020; PCM-023-2020 and PCM-146-2020.

- ii. Regulations and protocols on biosafety were approved and implemented to prevent COVID-19 and guarantee their application in reactivating the post-crisis economy.
- iii. The Free Vaccine for All Law against COVID-19 was approved<sup>10</sup> to guarantee the Honduran population free and universal access to the vaccine against the SAR-COV-2 virus.
- iv. The Special Law for the Regulation of the Use of Vaccines and Medical Treatments to Combat the Health Emergency as a Result of COVID-19, by National or Foreign Natural and Legal Persons, was approved<sup>11</sup>.
- v. The Law of the Health Regulation Agency (ARSA *by its acronym in Spanish*) was approved<sup>12</sup>, which ratifies the creation of the ARSA.
- vi. On June 10, 2022, a new national health emergency was declared in the Public Health System at the national level, through Executive Decree No. PCM 16-2022<sup>13</sup>.
- vii. Through Executive Decree No. PCM-04-2023, the declaration of the state of health emergency in the Public Health System at the national level is extended for the year 2023<sup>14</sup>, to guarantee compliance with the right to health, ensuring the provision of services, supplies, medicines and timely attention to the population; also, to strengthen surveillance actions, prevention, control and guarantee timely care of people.

To ensure sufficient food reserves in the face of the COVID-19 emergency and storms Eta and Iota, in 2020 support for the food production sector and food agribusiness was declared a national priority and measures were decreed to ensure food sovereignty and security<sup>15</sup>.

As part of the actions to minimize the spread of COVID-19, the former Ministry of Development and Social Inclusion (SEDIS *by its acronym in Spanish*) developed the Attention Strategy for the Prevention and Containment of the Coronavirus Pandemic in Vulnerable Groups, which determined the periodic delivery of solidarity food rations to prioritized

<sup>10</sup> Legislative Decree No. 162-2020, published in the Official Gazette No. 35,452. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-162-2020.pdf>

<sup>11</sup> Legislative Decree No. 17-2021, published in the Official Gazette No. 35,586. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-No.17-2021.pdf>

<sup>12</sup> Legislative Decree No. 7-2021, published in the Official Gazette No. 35,626. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-7-2021.pdf>

<sup>13</sup> Published in the Official Gazette No. 36,130.

<sup>14</sup> Published in the Official Gazette No. 35,130. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-04-2023.pdf>

<sup>15</sup> Executive Decree No. PCM-030-2020, published in the Official Gazette No. 35,222. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-030-2020.pdf>

groups and sectors in confinement due to measures to restrict movement and social distancing.

Of the total Honduran population in 2022, 2.6 million people are in crisis or emergency of acute food insecurity, which is affected by a rise in the price of basic basket products and fuels, as well as speculation that produces shortages: a decrease in the production of basic grains such as corn (65%) and beans (75%) due to climatic reasons and limited access to inputs. It is for these reasons that the current government, with the purpose of transforming the food system, takes the following measures:

- i. Through Executive Decree No. PCM-10-2022, a state of food emergency was declared throughout the national territory<sup>16</sup>.
- ii. The economic and financial reactivation of the National Bank for Agricultural Development (BANADESA *by its acronym in Spanish*) was instructed to face this serious agri-food crisis.

As part of the organizational restructuring and the recovery of the Government's institutionality, in 2022 the SEDIS was abolished, and the Secretary of State was created in the Office of Social Development (SEDESOL *by its acronym in Spanish*) as the governing body for public policies for the development and social protection of the population in situations of poverty and extreme poverty. Its powers are established in Decree No. PCM-019-2022.

In addition, the Solidarity Network Program is created<sup>17</sup>, as a decentralized entity of SEDESOL, with technical, financial, and administrative autonomy, which aims to reduce poverty and extreme poverty, through the execution of social programs and projects aimed at vulnerable populations, focused on the State's social information systems and technical tools. This program implements actions aimed at progressively improving the living conditions and access to social protection mechanisms of households living in conditions of poverty and extreme poverty.

About the development and social protection actions of SEDESOL for the focused attention of the population, the Conditional Cash Transfers (CCT) Program is implemented, executed by the Solidarity Network Program<sup>18</sup>. The CCT program, without distinction of source of financing, is oriented to the axes of: Social protection, Generation of income opportunities,

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<sup>16</sup> Published in the Official Gazette No. 35,913. Available at the link:

<https://www.tsc.gob.hn/web/leyes/PCM-10-2022.pdf>

<sup>17</sup> Decree No. PCM-08-2022, published in the Official Gazette No. 35,912. Available at the link:

<https://www.tsc.gob.hn/web/leyes/PCM-08-2022.pdf>

<sup>18</sup> Ministerial Agreement No. 036-2022, published in the Official Gazette No. 36,064. Available at the link:

[https://www.tsc.gob.hn/web/leyes/Acuerdo\\_Ministerial\\_036-2022.pdf](https://www.tsc.gob.hn/web/leyes/Acuerdo_Ministerial_036-2022.pdf)

Human strengthening, Education, Health, Infrastructure, and environment in its rural and urban domains, aimed at combating poverty and extreme poverty throughout the national territory.

As a decentralized entity of SEDESOL, the Solidarity Action Program (PROASOL *by its acronym in Spanish*) was created<sup>19</sup>, which has technical, administrative, and financial autonomy, whose mandate is to provide social care to people in vulnerable groups. One of PROASOL's functions is to execute social programs and projects designed for the comprehensive social care of the country's vulnerable groups, based on principles of transparency, objectivity, inclusion, and efficiency.

The PROASOL Program serves the elderly population with 70 years of age or older in poverty, who do not receive any pension from the State who is not retired, people with disabilities and people with certain chronic diseases, through the delivery of the Gold Bonds and Bonds of Hope, respectively. These bonuses consist of economic compensation delivered through BANADESA's face-to-face ATMs, with the purpose of cutting intermediaries, and ensuring that economic support reaches those who need it most in a transparent manner.

To efficiently operationalize the delivery of the vouchers, PROASOL has the Operational Manual for the Delivery of Cash Transfers (Bonus) to Vulnerable Sectors of the Guidelines of the Solidarity Action Program<sup>20</sup>.

To reactivate the national economy and be able to preserve the jobs of thousands of Honduran workers, the gradual and progressive incorporation of the different productive sectors of the country was determined, under the observance and strict compliance with the biosafety protocols applied in the intelligent, gradual, and progressive reopening as of June 2020.

In addition, to reduce the adverse effects of the pandemic on the economy, the following legislation and provisions were adopted:

- i. Special Law on Economic Acceleration and Social Protection against the effects of COVID-19<sup>21</sup>, to strengthen surveillance, prevention, control, and guarantee care for people in the face of COVID-19, as well as to guarantee the human right to health, supplying medical assistance to all people, especially those in vulnerable conditions.

<sup>19</sup> Decree No. PCM-020-2022, published in the Official Gazette No. 35,999

<sup>20</sup> Ministerial Agreement No. 039-SEDESOL-2022, published in the Official Gazette No. 36,062. Available at the link: [https://www.tsc.gob.hn/web/leyes/Acuuerdo\\_Ministerial\\_039-SEDESOL-2022.pdf](https://www.tsc.gob.hn/web/leyes/Acuuerdo_Ministerial_039-SEDESOL-2022.pdf)

<sup>21</sup> Legislative Decree No. 31-2020, published in the Official Gazette No. 35,199. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-031-2020.pdf>.



- ii. Law on Assistance to the Productive Sector and Workers in the Face of the Effects of the COVID-19 Pandemic<sup>22</sup>.
- iii. Law for the Recovery and Economic Reactivation of Micro and Small Enterprises<sup>23</sup>, which aims to grant tax incentives that promote the creation, development, strengthening and formalization of micro and small enterprises (MSEs), to contribute to the improvement of the economy and the capacity for entrepreneurship and innovation, as well as the generation of new employment opportunities for the population. These measures to promote the regularization and formalization of MSEs also contribute to the improvement of tax collection.
- iv. Regulation of the Law for the Recovery and Economic Reactivation of Micro and Small Enterprises<sup>24</sup>.
- v. In addition, Decree No. 354-2013 containing the Hourly Employment Law was repealed<sup>25</sup> for being harmful to workers' rights.

To guarantee access to public transport, in 2022 the fund of HNL. 240,084,000.00 was created in favor of users of the public transport service in the urban bus modality, to be applied as a provisional economic compensation of the fare to users, to avoid an increase in the previously established fares<sup>26</sup>.

In 2022, the electricity service was declared a public good, and the electricity subsector was declared a national emergency through the Special Law to Guarantee the Electric Energy Service as a Public Good of National Security and a Human Right of an Economic and Social Nature<sup>27</sup>.

Despite Honduras being one of the country's most vulnerable to the occurrence of natural disasters, the country did not have access facilitation mechanisms and action protocols to provide effective humanitarian aid to the population in times of disaster, emergency, humanitarian crisis and public calamity. In this regard, the Act on the Facilitation of

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<sup>22</sup> Legislative Decree No. 33-2020, published in the Official Gazette No. 35,217. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-33-2020.pdf>.

<sup>23</sup> Legislative Decree No. 48-2022, published in the Official Gazette No. 35-933. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-48-2022.pdf>

<sup>24</sup> Agreement No. 362-2022, published in the Official Gazette No. 35,970. Available at the link: <https://www.tsc.gob.hn/web/leyes/Acuerdo-362-2022.pdf>

<sup>25</sup> Legislative Decree No. 38-2020, published in the Official Gazette No. 35,909. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-38-2020.pdf>

<sup>26</sup> Legislative Decree No. 78-2022, published in the Official Gazette No. 36,017. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-78-2022.pdf>

<sup>27</sup> Legislative Decree No. 46-2022, published in the Official Gazette No. 35,924. Available at the link: [https://www.tsc.gob.hn/web/leyes/Decreto\\_46-2022.pdf](https://www.tsc.gob.hn/web/leyes/Decreto_46-2022.pdf)

International Humanitarian Assistance in the Event of Disasters and Initial Recovery was adopted<sup>28</sup>, the purpose of which is to expand the mechanisms for the response of the State of Honduras to the occurrence of disasters, emergencies, humanitarian crises and public calamity in the national territory, making it possible to receive international humanitarian assistance in a complementary manner in support of national efforts.

Another important aspect to highlight is that because of the crisis caused by the COVID-19 pandemic, the repatriation of bodies of Hondurans who died abroad has become more critical, increasing the difficulties for their repatriation without there being an accurate or immediate response from the institutions in charge. To respond, the Special Law to Support Honduran Migrants in the Framework of the COVID-19 Health Crisis was approved, through the repatriation of cremated human still is of Hondurans who died abroad<sup>29</sup>.

**2. Can you highlight initiatives or strategies that have proven to be effective in protecting the rights of disadvantaged groups and preventing them from being further relegated?**

To comply with the Government Plan to Refund Honduras 2022-2026, it was necessary to restructure the weakened and degraded public administration. With a view to achieving this purpose, President Xiomara Castro Sarmiento, through Executive Decree PCM-05-2022, carries out the organizational restructuring of the Secretariats of State, decentralized agencies or entities and dependencies of the Public Administration<sup>30</sup>. This implied the restructuring of government institutions, eliminating sectoral cabinets, some directorates, and programs, and creating new Secretariats to have a more efficient structure in line with the national reality.

The creation of the following Secretariats stands out in the new structure:

- i. Secretariat of State in the Office of Women's Affairs, and the Women's City Program is attached as a decentralized entity of this Secretariat.
- ii. Secretariat of State in the Offices of Cultures, Arts and Heritage of the Peoples of Honduras, in charge of formulating policies consistent with the national identity and respectful of diversity, which promote and reproduce our roots, and guarantee full access, promotion and protection of culture, art and heritage.

<sup>28</sup> Legislative Decree No. 147-2020, published in the Official Gazette No. 35,429. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-147-2020.pdf>

<sup>29</sup> Legislative Decree No. 51-2020, published in the Official Gazette No. 35,256. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-51-2020.pdf>

<sup>30</sup> Decree No. PCM-05-2022, published in the Official Gazette No. 35,892. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-05-2022.pdf>

- iii. Secretariat of State in the Office of Strategic Planning, in its role as the governing institution of the National System of Planning for Social and Economic Development of Honduras.
- iv. Secretariat of State in the Offices of Children, Adolescents and Family, and the Institute for the Care of Juvenile Offenders is attached as a decentralized entity of the same.

**3. Could you promise the methodologies your government used for National Development Plans to address rising poverty and inequalities and leave no one behind, in the context of implementing the 2030 Agenda?**

In March 2020, the first positive case of COVID-19 in the country was made official, consequently, a state of health emergency was decreed<sup>31</sup> throughout the national territory, which resulted in a harsh impact on the economy.

To face the crisis caused by the health emergency, Executive Decree No. PCM-020-2020 approves a series of fiscal measures, which include, among others, the redirection of resources allocated in the General Budget of Income and Expenditure of the Republic for Fiscal Year 2020 to cover inputs, materials, supplies and all necessary expenses to deal with the emergency.

Through Decree No. 08-2022, a Fiscal and Financial Emergency was declared, to comprehensively and responsibly address the fiscal and financial crisis inherited from the previous Government in order to restore its balance and reactivate economic growth; likewise, the Secretary of State in the Office of Finance (SEFIN *by its acronym in Spanish*) was authorized to carry out the direct contracting of internal or external loans, reallocation of available external resources, placement of debt securities in the domestic or international market and other public credit operations under the financial conditions obtained at the time of negotiation if necessary during fiscal years 2022 and 2023.

With the approval in 2022 of the Modification of the General Budget of Revenues and Expenditures of the Republic, the extension of the deadline for approval of the Medium-Term Macro Fiscal Framework (MMFMP) 2023-2026<sup>32</sup> to May 2022 was approved, as well as the expansion of the percentage of the fiscal deficit of the non-financial public sector by up

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<sup>31</sup> By Executive Decree No. PCM-05-2020.

<sup>32</sup> Decree No. PCM-15-2022, published in the Official Gazette No. 35,938. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-15-2022.pdf>

to 4.9% of GDP set at 759,533.0 million lempiras for 2022, in the macro-fiscal framework<sup>33</sup>. The foregoing, considering that a state of fiscal and financial emergency of the public sector was declared, to address this crisis comprehensively and responsibly. On May 13, 2022, the MMFMP was approved.

It is important to note that the Government of President Xiomara Castro does not contemplate in its 2022-2026 Government Plan the increase in tax burdens on the Honduran population.

In order to maximize the State's resources, a proposal is being contemplated by the Government, aimed at a progressive reduction of exemptions and exemptions from Honduras, with the aim of achieving a more equitable tax system, and in turn, increasing the collection of tax revenues progressively, which will make it possible to comply with the internal and external financing obligations of the State of Honduras and, in turn, comply with the country's public and social spending obligations<sup>34</sup>.

**4. Can you share good practices, lessons learned, and examples of national public finance and debt management frameworks, policies, or laws that hold States' legal obligations accountable for economic, social, and other rights?**

In April 2022, a budget increase of HNL 52,272,299,472.00 equivalent to a 16.96% increase was approved, through the Decree of Modification of the General Budget of Income and Expenditure of the Republic and its General Provisions for Fiscal Year 2022, with the aim of reversing the conditions of poverty, high unemployment and migration rates, to create better social conditions for the population, to grant subsidies for energy and fuel, to generate employment, to improve the financial situation of the National Electric Power Company (ENEE *by its acronym in Spanish*), to guarantee the training of young people through sports and culture, to finance the social sectors, as well as to make the payment of sovereign bond maturities and to make investment in infrastructure, which is expected to contribute to greater economic growth<sup>35</sup>.

Through Executive Agreement No. 355-2022, the General Guidelines for the Formulation of the Preliminary Draft Budget 2023 were approved<sup>36</sup>, which are oriented towards the construction of a zero-based budget that breaks with the paradigm of the traditional budget, based on quantitative increase without measurement of results and is based on the financing

<sup>33</sup> By Legislative Decree No. 30-2022.

<sup>34</sup> Information provided by the Secretary of State in the Office of Finance through Memorandum of the Directorate of Tax Policy No. DGPT-M063-2023.

<sup>35</sup> Legislative Decree No. 30-2022, published in the Official Gazette No. 35,894. Available at the link: <https://www.inec.gob.hn/web/guest/Decreto-30-2022.pdf>

<sup>36</sup> Published in the Official Gazette No. 35,998. Consulted at the link: <https://www.sefin.gob.hn/proyecto-presupuesto-2023/>

of the priorities of the Honduran people and within a framework of fiscal sustainability. for which the institutions of the Public Administration must ensure that the programmatic structures reflect the budgetary allocations, the products for the benefit of the population and the Bicentennial Government Plan for the National Refoundation 2022-2026.

In January 2023, the National Congress approved the General Budget of Revenues and Expenditures of the Republic and its General Provisions for Fiscal Year 2023<sup>37</sup> for an amount of HNL 392,519,733,991.00. The current 2023 budget was increased by HNL 32,013,831,446.00 in relation to the 2022 budget, which represents an increase of 8.88%.

This budget was formulated based on the five priorities of the Government, which defines five strategic sectors: 1) Participation and democracy, for the construction of a democratic socialist State; 2) Social development, which guarantees equitable access of the population to social protection and welfare; 3) Economic development, with an alternative economic model to correct market distortions; 4) Environmental development, for the protection of common natural goods; and, 5) Security and justice<sup>38</sup>.

Fulfilling its commitment to transparency and accountability, the Secretariat of State is created in the Offices of Transparency and the Fight against Corruption (STLCC *by its acronym in Spanish*), through Decree No. PCM-05-2022, to prevent and combat the scourge of corruption in the exercise of public and private function in accordance with the guidelines of the Presidency of the Republic. on his government agenda. The design, promotion, coordination, supervision and evaluation of anti-corruption policies, strategies and programs must promote transparency and good governance practices. Similarly, the Results-Based Management Directorate is created.

In January 2023, the STLCC launched the Public Governance Study of Honduras prepared together with the Organization for Economic Cooperation and Development (OECD) and financed by the European Union's Development Cooperation instrument. The study is constituted as an instrument at the disposal of the Government with recommendations on the coordination of public policies and the center of Government, results-based management, and Open Government.

Regarding the most important achievements in terms of transparency and the fight against corruption of the new Government, the following stand out:

- i. Repeal of the Law for the Classification of Public Documents Related to National Security and Defense<sup>39</sup>, (known as the Official Secrets Law).

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<sup>37</sup> Decree No. PCM-22-2022, published in the Official Gazette No. 36,026. Available at the link: <https://www.tsc.gob.hn/web/leyes/PCM-22-2022.pdf>

<sup>38</sup> Secretary of State in the Office of Finance. Budgetary Policy Guidelines. Draft General Budget of Income and Expenditure 2023. Volume III.

<sup>39</sup> By Legislative Decree No. 12-2022, published in the Official Gazette No. 35,873. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-12-2022.pdf>

- ii. Disqualification of any information that has been classified as confidential pursuant to the above.
- iii. Repeal of the Organic Law of the Employment and Economic Development Zones (ZEDE *by its acronym in Spanish*)<sup>40</sup>.
- iv. Repeal of the Decrees that authorize the creation of trust agreements<sup>41</sup>, which instruct the rescission and liquidation of trust contracts or agreements signed by public institutions and transfer the funds to the Single Account of the General Treasury.
- v. Approval of the Regulations for the Regulation of the Execution of Legislative Decree No. 66-2022 regarding the Rescission and Liquidation of Trust Contracts or Agreements<sup>42</sup>.
- vi. Signing of the Memorandum for the installation of the Inter-Institutional Commission against Corruption and Impunity in Honduras (CICIH *by its acronym in Spanish*), among others.

As a commitment of the President of the Republic to the Honduran people, on January 30, 2023, on national television, she presented her management report for the first year of government, indicating the main achievements under her mandate, some of them mentioned here. In addition, he announced the goals framed in the Government Plan and defined for the next years 2023 and 2024.

***5. Do you have methodologies, indicators or metrics on human rights or equality impact assessments that your government used in the context of debt sustainability analyses? Have lessons been learned from past and current debt crises on the debt risk and sustainability framework and how it can be strengthened for the promotion and protection of human rights?***

The priority regarding the recovery from the crisis caused by the COVID-19 pandemic is the issue of health, which is the highest priority of the new government. In this sense, the Government Plan 2022-2026 establishes the following priorities in the health sector:

- i. Strengthening primary care by maintaining disease prevention activities.
- ii. Renovation of infrastructure and the creation of a national public health network, accessible to the entire population, with special emphasis on children, women, and the elderly.
- iii. Ensuring vaccination of the entire population, including suppliers such as mainland China and Cuba, and social oversight in purchase and distribution.

<sup>40</sup> By Legislative Decree No. 33-2022, published in the Official Gazette No. 35,907. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-33-2022.pdf>

<sup>41</sup> By Legislative Decree No. 66-2022, published in the Official Gazette No. 35,950. Available at the link: <https://www.tsc.gob.hn/web/leyes/Decreto-66-2022.pdf>

<sup>42</sup> Through Executive Agreement No. 395-2022.

- iv. Substantial increase in the budget allocated to the Health Sector and elimination of charges made in hospitals and public health centers.
- v. Purchase of medicines and laboratory reagents for the entire public network nationwide, modernization and maintenance of all equipment.
- vi. Creation of citizen health committees that will monitor the correct administration of health resources in each municipality.
- vii. Opening of hospitals and health centers as needed in areas with the highest population growth. Each municipality will have access to ambulance and 24-hour health care.

As for economic growth, the Government Plan points to an alternative model that will revolve around the following axes: 1) No more monopolies; no oligopolies, no tax exemptions or exemptions that constitute unnecessary privileges for development; 2) Full employment, the security of a decent job that allows rest and social security coverage, and 3) A fair, dignified and remunerative wage for all.

In addition, the Government Plan includes the promotion and defense of human rights as a fundamental objective of foreign policy and strict compliance with the international conventions to which Honduras is a signatory. It also states that international cooperation for development will be based on national solidarity and priorities.

***6. What do you consider to be the most urgent reforms of the international financial architecture to support governments' efforts to reduce poverty, inequalities and realize human rights?***

The State of Honduras considers that, to support the efforts of governments to reduce poverty, inequalities, and the realization of human rights, several urgent reforms in the international financial architecture are being considered:

- I. Sovereign Debt Restructuring<sup>43</sup>
  - a. Debt Relief Mechanisms: Implement more efficient and fair mechanisms for sovereign debt restructuring, especially for low-income countries. This can include partial or total cancellation of unsustainable debts.
  - b. Collective Action Clauses: Promote the use of collective action clauses (CACs) in sovereign bonds to facilitate orderly debt restructuring.
- II. Reform the International Financial Institutions (IFIs)<sup>44</sup>

<sup>43</sup> Stiglitz, J. E., & Rashid, H. (2020). "Averting Catastrophe: Debt Relief for Developing Countries Facing the Covid-19 Health and Economic Crisis." Center for Economic and Policy Research.

Krueger, A. O. (2002). "A New Approach to Sovereign Debt Restructuring." International Monetary Fund.

<sup>44</sup> Woods, N. (2006). "The Globalizers: The IMF, the World Bank, and Their Borrowers." Cornell University Press.

Vestergaard, J., & Wade, R. H. (2013). "Protecting Power: How Western States Retain the Dominant Voice in The World Bank's Governance." World Development, 46, 153-164.

- a. Greater Representativeness: Increase the voice and representation of developing countries in institutions such as the International Monetary Fund (IMF) and the World Bank to ensure that their interests and needs are adequately considered.
  - b. Looser conditionalities: Review and make loan conditionalities more flexible so as not to impose austerity measures that could exacerbate poverty and inequalities.
- III. Strengthening Official Development Assistance (ODA)<sup>45</sup>
- a. Fulfillment of Commitments: Ensure that developed countries meet their commitments to allocate 0.7% of their GDP to ODA.
  - b. Focus on Human Rights: Direct ODA towards projects that directly support poverty reduction, the reduction of inequalities and the promotion of human rights.
- IV. Regulation and Supervision of the International Financial Sector<sup>46</sup>
- a. Transparency and Accountability: Improve transparency and accountability of international financial flows to combat tax evasion, money laundering and illicit financial flows.
  - b. Capital Controls: Implement capital control measures to prevent financial volatility and protect emerging economies from sudden financial crises.
- V. Promotion of International Tax Cooperation<sup>47</sup>
- a. Fair Tax Rules: Promote international tax rules that prevent base erosion and profit shifting, ensuring that multinational companies pay fair taxes in the countries where they operate.
  - b. Reduction of Tax Havens: Take stricter measures against tax havens to ensure that tax revenues are used for sustainable development.
- VI. Investment in Sustainable Development<sup>48</sup>
- a. Green and Social Finance: Increase investment in sustainable projects that address climate change, poverty, and inequalities, and that promote human rights.

<sup>45</sup> United Nations (2020). "Financing for Sustainable Development Report 2020." Inter-agency Task Force on Financing for Development.

OECD (2019). "Development Co-operation Report 2019: A Fairer, Greener, Safer Tomorrow." OECD Publishing.

<sup>46</sup> Zucman, G. (2015). "The Hidden Wealth of Nations: The Scourge of Tax Havens." University of Chicago Press.

Shaxson, N. (2011). "Treasure Islands: Tax Havens and the Men Who Stole the World." Palgrave Macmillan.

<sup>47</sup> OECD (2013). "Action Plan on Base Erosion and Profit Shifting." OECD Publishing.

Cobham, A., & Janský, P. (2018). "Global Distribution of Revenue Loss from Tax Avoidance: Re-estimation and Country Results." *Journal of International Development*, 30(2), 206-232.

<sup>48</sup> Sachs, J. D. (2015). "The Age of Sustainable Development." Columbia University Press.

UNDP (2016). "UNDP Support to the Implementation of the 2030 Agenda for Sustainable Development." United Nations Development Program.



- b. Social Impact Bonds: Encourage the use of social impact bonds and other innovative financial instruments that channel resources towards development initiatives with positive social impacts.
- VII. Reform of International Trade Agreements<sup>49</sup>
- a. Fair Trade: Review trade agreements to ensure they promote fair and equitable trade, benefiting developing countries and protecting labor and environmental rights.
  - b. Elimination of Harmful Subsidies: Abolish agricultural and other trade-distorting subsidies that harm producers in developing countries.

Honduras endorses the belief that if these reforms are implemented in an effective and coordinated manner, they can contribute significantly to creating a fairer and more supportive international financial architecture that supports the efforts of governments to reduce poverty, reduce inequalities and make human rights a reality.

  
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<sup>49</sup> Rodrik, D. (2018). "Straight Talk on Trade: Ideas for a Sane World Economy." Princeton University Press.  
Stiglitz, J. E., & Charlton, A. (2005). "Fair Trade for All: How Trade Can Promote Development." Oxford University Press.