

# TELEGRAM

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FROM	AMEMBASSY TEGUCIGALPA	CLASSIFICATION	
E.O. 11652	12356: DECL: 9/21/83		CN: 8108
TAGS:	EAGR, ETRD, EAID, ICO, HO		
SUBJECT:	COFFEE NEGOTIATIONS: HONDURAS EXPORT QUOTA		
ACTION:	SECSTATE WASHDC IMMEDIATE USDA WASHDC IMMEDIATE		
INFO:	AMEMBASSY LONDON IMMEDIATE		
	<del>CONFIDENTIAL</del> TEGUCIGALPA 8108		
	LONDON FOR USEDEL ICO		
	USDA FOR SECRETARY BLOCK FROM NEGROPONTE		
REF:	LONDON 20442		
	1. <del>CONFIDENTIAL</del> - ENTIRE TEXT		
	2. Ambassador was called in by Minister of Presidency, Carlos Flores morning September 21 to reiterate Honduras' deep preoccupation with prospective drop in Honduran export quota. Flores pointed out that new quota, in addition to representing \$28 million foreign exchange loss for 1983 (equivalent to CBI monies we intend to give to Honduran private sector), there is also problem of large Honduran unsold stockpile which is already high and will build up further.		

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AID

DRAFTED BY:	DRAFTING DATE	TEL. EXT.	CONTENTS AND CLASSIFICATION APPROVED BY:
AMB:JDNegroponete:kjl	9-21-82	211	AMB:JDNegroponete
CLEARANCES:	ECON:PWackerbarth (draft)		

~~CONFIDENTIAL~~  
CLASSIFICATION

50153-101

OPTIONAL FORM 153  
(Formerly FS-413)  
January 1975  
Dept. of State

Dept. of State, RPS/IPS, Margaret P. Grafeld, Dir.  
() Release () Excise () Deny () Declassify  
Date 6/2/98 Exemption \_\_\_\_\_

3. Flores added that ~~coffee~~ coffee is literally Honduras' only economic hope. With meat prices depressed and sugar export quotas to U.S. having been slashed to bare bones, loss of almost twenty percent of its coffee export quotas, when it had actually hoped for an increase, represents severe blow to this country's ailing economy.

4. Ambassador briefed Flores on substance of reftel but agreed to make one last pitch to Washington and London for whatever assistance we might be able to offer. Flores said that GOH intended to raise matter again with Colombians and Brazilians.

5. We recognize that life is unfair. However, in view of justifiable Honduran distress in wake of reduced sugar quotas, we believe this friendly country has received more than its share of hard knocks of late. Perhaps a way can be found to take another look, especially in light of ~~Brazilian and Colombian~~ <sup>Brazilian and Colombian</sup> recognition, reported para one reftel, that Honduras is not rpt not being treated equitably in this situation.

NEGROPONTE