

COUNTRY STRATEGY PAPER
NICARAGUA 2007-2013

Annexes

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Annex 1. Consultation and context

Annex 1.1 Consultation with civil society

Consultation with civil society has been part of the preparation of the Country Strategy Paper 2007–2013. In the end of 2004 and early 2005 various civil society representatives, local authorities, groups and organisations were consulted in relation to the preparation of a Concept Note. Other consultations were carried out with Member States, other donors and the recipient Government. In March 2005, the Concept Note was published on a specific website, and a public electronic consultation was carried out from April 15 to June 6. Through this open consultation all parts of civil society and anyone else interested had the possibility to comment on the note. Unfortunately, the European Commission received only very few comments. The Concept Note was also published on the website of the *Asociación Latinoamericana de Organizaciones de Promoción (ALOP)*.

A **national workshop** open for civil society was carried out on May 11th 2005. The main objective of the workshop was to create a forum for civil society, in which the European Commission would listen to their point of views and comments related to the Concept Note and the Country Strategy Paper 2007 - 2013. Invitations were sent out directly to different sectors of civil society, and an open invitation was announced through the newspaper, radio, television and the website of the EC Delegation to any person who likes to attend to the meeting. Television interviews were organized during and after the workshop. More than 100 persons from the civil society participated in the event. The majority represented NGOs, although the invitation was open to all parts of civil society. Only one political party attended the event. Inauguration speeches were given by a representative of the European Commission and the Government.

The methodology of the workshop was based on a mix of plenary sessions and working groups. The Concept Note was presented in plenary and three working groups were carried out: 1) Challenges to the EU-Nicaragua relations; 2) Focus sectors of the EC cooperation; 3) civil society participation in the EC cooperation. During the working groups all participants could express their points of view, and the results were presented in plenary by a representative from each group. The results have been published at the website of the EC Delegation in Nicaragua, and a link to the results has been send to the participants. (http://www.delnic.cec.eu.int/es/seminarios/nic/seminario_nic_07.htm).

The main conclusion from the workshop was that there is a need to launch a more strategic and systematic dialogue between the European Commission and civil society in relation to the EC activities in Nicaragua. Civil society is asking for more than a punctual consultation. The process of deconcentration of EC cooperation has not been coupled with a satisfactory level of dialogue and participation, and civil society requires a real and regular access to all stages of the EC cooperation.

Civil society expressed that information about EC activities should be more accessible. In particular, sector approach, budget support and the possible involvement of civil society in these instruments should be better explained and shared.

There is a significant lack of dialogue between civil society and the Government and political parties. Civil society expressed that the Government is not the “*appropriate*” interlocutor (in particular, the lack of consultation in relation to the *Plan Nacional de Desarrollo* was emphasized), and civil society raised some concerns about the Harmonization & Alignment initiatives. The Nicaraguan Government expressed its doubt about the utility to consult civil society on policy issues as many local NGOs are linked to political parties and would take positions according to its political membership rather than to the benefit of the country.

Different actors had an interest in a larger number of EC focal sectors. However, the Commission expressed its belief that there is added value to concentrate its work on a reduced number of issues. The need for a higher coherence between the EC policies and cooperation has emerged on several occasions.

The perception of the European Commission was that the methodology of the workshop proved efficient in order to collect the point of views and comments of the civil society. It was the perception that civil society appreciated the initiative of the workshop and approved the concrete modalities, as well as the consultation process in general.

As a follow-up on the consultation with civil society, the EC commits itself to elaborate a report on the consultation process and the comments and suggestions received.

Annex 1.2 Consultation with national authorities

The consultations with Nicaraguan authorities have been held in two steps. Extensive informal discussions have been held from the drafting of a concept note all along the programming process. A formal discussion with Government of Nicaragua on the concept note has been held on 10 May 2005. Representatives of the Ministries of Foreign Affairs, Environment, Education, Economy & Trade, Finance, Agriculture, Governance and the Secretariat to the President were present. The meeting was chaired by Vice Minister Mauricio Gomez (Foreign Affairs).

In his introduction Vice Minister Gomez underlined the participatory character of the CSP preparatory process, thereby acknowledging that the concept paper is an internal EC document. Mr. Gomez stressed as well that cooperation with the EC is going through a transitory phase, towards aid delivery through budget support mechanisms, a development which he welcomed. The EC Delegation provided a presentation on the concept paper, upon which the government representatives present were given the floor to comment.

Many speakers underlined the weaknesses of Nicaraguan institutions and the need for institution and capacity building. Some pointed at the nexus that exists between the lack of social cohesion and the need for institution building and strengthening of governance. Others agreed on the need for institutional strengthening but rejected a potential multiplication of consultants and technical assistance which, in the past, have not yielded the expected results. The need for a strengthening of monitoring and evaluation capacities was also highlighted.

- The government welcomed the attention in the concept paper for civil society in a large sense, including private sector. Reinforcing capacities of civil society was seen as essential for fostering social cohesion and for creating a good business environment and support for further commercial liberalisation;
- Recognizing the problem of what the EC calls in the concept note “*social incohesion*” in particular in relation to the people living in the Atlantic Regions, government officials pleaded for a stronger presence of the state in the autonomous regions in order to guarantee more investment and basic services in health and education and to promote the rule of law in these remote areas. It was also considered essential to prevent social exclusion of the poor.
- The need to capacitate the productive sector was mentioned in view of globalisation and the negotiations on free trade arrangements. Government officials recognised that the Government should do more to assist SME and to attract foreign and local investments. The concept paper’s focus on improving the business and economic environment was considered as highly relevant.
- From the discussion on Budget Support it became clear that there are still different levels of understanding of the mechanism within the Government, with the Ministry of Finance being highly favourable, whereas some technical ministries

were questioning the use of result indicators. In general terms most interlocutors agreed on the fact that budget support has the potential to improve the quality of the EC's development programmes. Some participants asked for support from the EC in improving Nicaragua's public finance management systems.

- The Ministry of Agriculture lamented that the concept paper did not properly reflect the challenges of rural development;
- The Ministry of Foreign Affairs pointed at the desirability for government and donors to increase efforts on Harmonisation & Alignment. The Concept Note remained largely silent on these aspects.
- The Governance Ministry welcomed the concept note's analysis on civil security. However, it did not share some of its conclusions, for instance on the relationship between gender inequality and violence. Others denied the paper's statement that the fight against corruption has remained largely unsuccessful.

Overall, the concept paper was well received and the meeting provided an interesting input for the preparation of the CSP.

Annex 1.3 Consultation with the National Assembly

The concept note and the draft CSP have been presented and discussed at the Commission for External Relation of the National Assembly on several occasions. Political parties have also invited to the national workshop.

On the other hand, the Sector Approach instrument and the Budget Support financing modality have discussed extensively within the same Commission in a joint donor meeting. Additional discussions have taken place with the Commission for Finance.

Annex 2. 2002-2006 political context

In the last twenty years Nicaragua has undergone radical changes: the Somozas' hereditary dictatorship was succeeded by the popular Sandinista revolution, a regime which ruled throughout the 1980s. This period was characterised by a deterioration of the relations with the USA and a protracted civil conflict, which plunged the country into a profound economic and social crisis.

In the early 1990s, the newly elected government headed by President Violeta Barrios de Chamorro had to cope with a delicate and manifold transition process. From 1997 to 2001, Dr Arnoldo Alemán headed a coalition led by the *Partido Liberal Constitucionalista (PLC)*. Enrique Bolaños (PLC) won the last presidential elections on November 4th 2001 against the sandinist candidate, Daniel Ortega, former head of State until 1990. President Bolaños gave priority to the fight against corruption, the de-politicisation of the public administration¹, separation of powers, regional economic integration with the Central American countries, social and macro-economic reform to secure a debt alleviation scheme and the support to small, medium and large-scale investments. One consequence of President Bolaños' action is the judicial enquiry into allegations of fraud against the former President Alemán who was accused of embezzlement. The PLC was split and the Bolaños government had to act as a minority government, the opposition controlling more than 80% of the seats at the National Assembly. Even if Arnoldo Alemán has been condemned to jail, he has always controlled the PLC. Since 2005, M. Alemán may circulate freely within the Managua region.

M. Bolaños succeeded in achieving some significant results like the HIPC (Highly Indebted Poor Country) completion point, but the recent political life has been marked by incidents between the different parties, in particular in relation to various initiatives such as the Judicial Reform, the control of man-portable missiles, but also former President Aleman's specific status. President Bolaños appeared to be isolated due to the coincidence of interests within the National Assembly between Sandinists and Liberals (the "*Pacto*").

Concerns regarding the independence of the different powers of the State have been expressed. Corruption and politicisation of the public administration still remain preoccupying. Recent political life is marked by important preoccupation in relation with the November 2006 general elections. Thanks to OAS mediation, since end-2005, a consensus has been reached between all political parties and M. Bolaños' government to freeze the reforms until January 2007 and to resume the dialogue. This permitted taking the measures to overcome current governance problems, freeze some key disputes in the view to resume a Programme with the IMF and other donors. However, resuming the dialogue between the different powers does not mean the end of *the Pacto*.

For the November 2006 elections, M. Ortega has been appointed once more candidate for the Sandinist Front, and PLC has appointed M. José Rizo, a faithful friend of M. Alemán and former vice-president, as candidate. New political figures emerged, like sandinist Herty Lewite (dead in July 2007 and has replaced by E. Jarquín) with the MRS (*Movimiento Renovador Sandinista*) and liberal Eduardo Montealegre with the ALN (*Allianza Liberal Nacional*). As a result of the liberal division, Mr. Ortega has been elected as President of Nicaragua with 38% of the votes (the lowest percentage he has got for Presidential elections). On the Liberal side, Montealegre's ALN has become the second political force of the country. The EU Electoral Observation Mission reported a regular election.

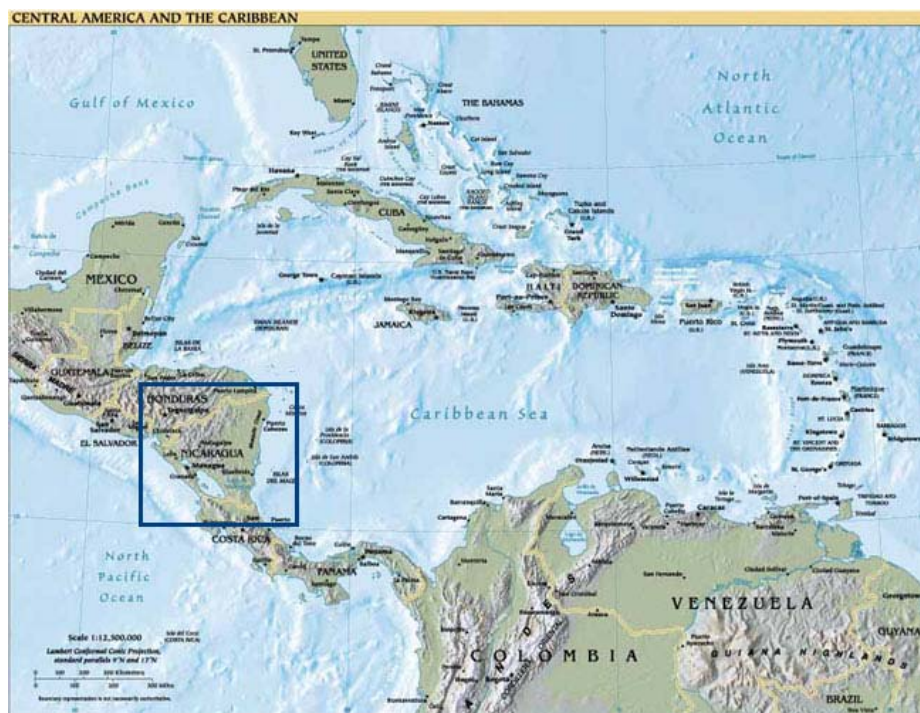
During and after the electoral campaign, Daniel Ortega Saavedra expressed on several opportunities his willingness to avoid major changes and tried to reassure the population. As

¹ One of the consequences of the political polarisation resulting from *El Pacto* is an increased politicisation of the higher administration by the two main political parties.

he does not enjoy a majority at the National Assembly, he will have to negotiate with the opposition to govern. Unknown elements will be the future of *the Pacto* and the implementation of the constitutional reforms. According to many political analysts, no major changes should be expected from the new Government.

Annex 3. Statistics and maps

Annex 3.1 Maps

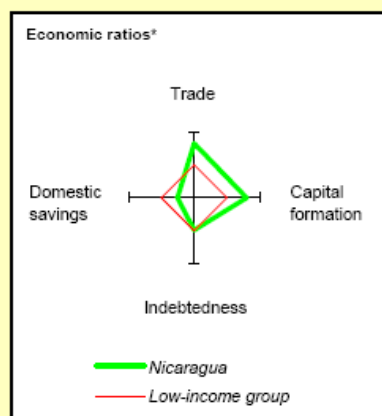
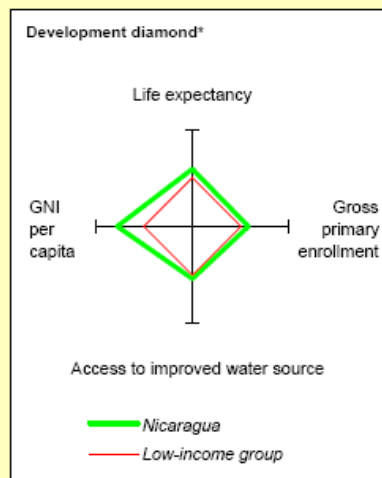


Annex 3.2 Nicaragua at a glance

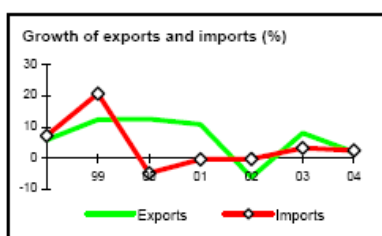
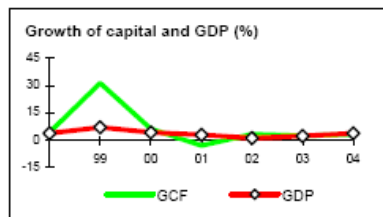
Nicaragua at a glance

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| | Nicaragua | Latin America & Carib. | Low-income | | |
|--|-----------|------------------------|------------|-------|---------|
| POVERTY and SOCIAL | | | | | |
| 2004 | | | | | |
| Population, mid-year (millions) | 5.6 | 541 | 2,338 | | |
| GNI per capita (Atlas method, US\$) | 790 | 3,600 | 510 | | |
| GNI (Atlas method, US\$ billions) | 4.4 | 1,948 | 1,184 | | |
| Average annual growth, 1998-04 | | | | | |
| Population (%) | 2.5 | 1.4 | 1.8 | | |
| Labor force (%) | 3.1 | 0.9 | 2.1 | | |
| Most recent estimate (latest year available, 1998-04) | | | | | |
| Poverty (% of population below national poverty line) | 48 | .. | .. | | |
| Urban population (% of total population) | 58 | 77 | 31 | | |
| Life expectancy at birth (years) | 69 | 71 | 58 | | |
| Infant mortality (per 1,000 live births) | 30 | 28 | 79 | | |
| Child malnutrition (% of children under 5) | 10 | .. | 44 | | |
| Access to an improved water source (% of population) | 81 | 89 | 75 | | |
| Literacy (% of population age 15+) | 77 | 89 | 61 | | |
| Gross primary enrollment (% of school-age population) | 108 | 123 | 94 | | |
| Male | 109 | 126 | 101 | | |
| Female | 108 | 122 | 88 | | |
| KEY ECONOMIC RATIOS and LONG-TERM TRENDS | | | | | |
| | 1984 | 1994 | 2003 | 2004 | |
| GDP (US\$ billions) | 3.1 | 3.0 | 4.1 | 4.4 | |
| Gross capital formation/GDP | 22.2 | 20.4 | 37.1 | 35.7 | |
| Exports of goods and services/GDP | 16.4 | 15.6 | 24.1 | 21.9 | |
| Gross domestic savings/GDP | 9.2 | 3.8 | 10.8 | 10.1 | |
| Gross national savings/GDP | 3.4 | -10.4 | 21.0 | 23.2 | |
| Current account balance/GDP | -22.0 | -30.5 | -17.7 | -15.5 | |
| Interest payments/GDP | 1.1 | 3.2 | 1.3 | .. | |
| Total debt/GDP | 154.2 | 402.9 | 167.2 | .. | |
| Total debt service/exports | 18.4 | 39.9 | 14.8 | .. | |
| Present value of debt/GDP | .. | .. | 37.6 | .. | |
| Present value of debt/exports | .. | .. | 111.9 | .. | |
| | 1984-94 | 1994-04 | 2003 | 2004 | 2004-08 |
| (average annual growth) | | | | | |
| GDP | -2.1 | 4.1 | 2.3 | 3.7 | 4.2 |
| GDP per capita | -4.6 | 1.3 | -0.3 | 1.4 | 2.1 |
| Exports of goods and services | 3.6 | 9.2 | 8.1 | 1.9 | 2.2 |



| | 1984 | 1994 | 2003 | 2004 |
|---|-------|------|------|------|
| STRUCTURE of the ECONOMY | | | | |
| (% of GDP) | | | | |
| Agriculture | 24.9 | 19.8 | 17.7 | 17.1 |
| Industry | 31.8 | 24.3 | 25.4 | 24.7 |
| Manufacturing | 25.4 | 16.9 | 14.3 | 13.8 |
| Services | 43.3 | 55.9 | 56.9 | 58.2 |
| Household final consumption expenditure | 55.4 | 86.1 | 73.6 | 74.4 |
| General gov't final consumption expenditure | 35.3 | 10.1 | 15.6 | 15.5 |
| Imports of goods and services | 29.5 | 32.2 | 50.4 | 47.5 |
| (average annual growth) | | | | |
| Agriculture | -1.0 | 4.2 | 3.2 | 0.2 |
| Industry | -3.2 | 4.1 | 2.4 | 0.5 |
| Manufacturing | -4.1 | 4.4 | 2.1 | -0.3 |
| Services | -2.0 | 4.0 | 1.9 | 6.5 |
| Household final consumption expenditure | 3.4 | 1.6 | 0.9 | 3.4 |
| General gov't final consumption expenditure | -10.8 | 6.6 | 1.3 | 7.6 |
| Gross capital formation | -7.2 | 10.3 | 2.4 | 3.0 |
| Imports of goods and services | 0.3 | 7.1 | 3.2 | 2.5 |

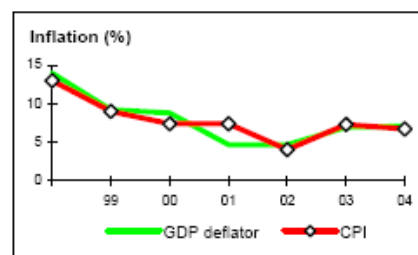


Note: 2004 data are preliminary estimates.

* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

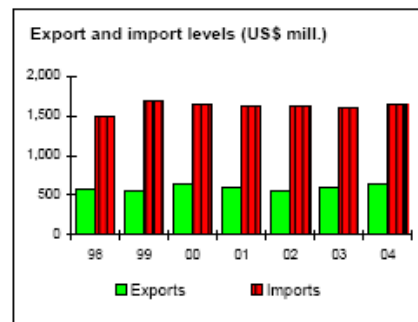
PRICES and GOVERNMENT FINANCE

| | 1984 | 1994 | 2003 | 2004 |
|-------------------------------------|------|------|------|------|
| Domestic prices | | | | |
| (% change) | | | | |
| Consumer prices | 36.4 | 7.8 | 7.3 | 6.7 |
| Implicit GDP deflator | 39.0 | 80.1 | 6.9 | 7.1 |
| Government finance | | | | |
| (% of GDP, includes current grants) | | | | |
| Current revenue | .. | 12.5 | 16.2 | 16.7 |
| Current budget balance | .. | -0.8 | 0.5 | 4.3 |
| Overall surplus/deficit | .. | -6.2 | -6.7 | -3.7 |



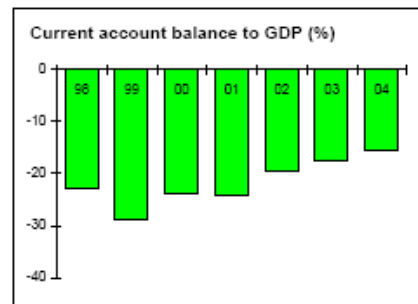
TRADE

| | 1984 | 1994 | 2003 | 2004 |
|-------------------------------|------|------|-------|-------|
| (US\$ millions) | | | | |
| Total exports (fob) | 413 | 335 | 605 | 631 |
| Coffee | 122 | 73 | 86 | .. |
| Shrimp and lobster | 13 | 42 | 69 | .. |
| Manufactures | 58 | 117 | 286 | 321 |
| Total imports (cif) | 825 | 867 | 1,608 | 1,653 |
| Food | 107 | 188 | 460 | .. |
| Fuel and energy | 145 | 123 | 194 | .. |
| Capital goods | 238 | 218 | 362 | 288 |
| Export price index (2000=100) | 92 | 97 | 93 | 100 |
| Import price index (2000=100) | 49 | 84 | 111 | 115 |
| Terms of trade (2000=100) | 186 | 115 | 84 | 87 |



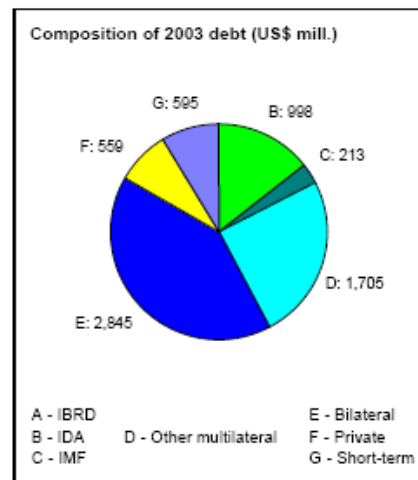
BALANCE of PAYMENTS

| | 1984 | 1994 | 2003 | 2004 |
|---|---------|------|--------|--------|
| (US\$ millions) | | | | |
| Exports of goods and services | 462 | 463 | 853 | 907 |
| Imports of goods and services | 884 | 949 | 2,004 | 2,056 |
| Resource balance | -423 | -486 | -1,151 | -1,148 |
| Net income | -263 | -472 | -108 | -96 |
| Net current transfers | 0 | 50 | 528 | .. |
| Current account balance | -686 | -908 | -731 | -676 |
| Financing items (net) | 601 | 978 | 738 | 696 |
| Changes in net reserves | 85 | -69 | -7 | -20 |
| Memo: | | | | |
| Reserves including gold (US\$ millions) | .. | 141 | 447 | 524 |
| Conversion rate (DEC, local/US\$) | 2.89E-9 | 6.7 | 15.1 | 15.9 |



EXTERNAL DEBT and RESOURCE FLOWS

| | 1984 | 1994 | 2003 | 2004 |
|---|-------|--------|-------|------|
| (US\$ millions) | | | | |
| Total debt outstanding and disbursed | 4,807 | 11,996 | 6,915 | .. |
| IBRD | 134 | 76 | 0 | .. |
| IDA | 59 | 254 | 998 | .. |
| Total debt service | 86 | 207 | 205 | .. |
| IBRD | 15 | 25 | 0 | .. |
| IDA | 0 | 3 | 3 | .. |
| Composition of net resource flows | | | | |
| Official grants | 56 | 181 | 495 | .. |
| Official creditors | 344 | 245 | 162 | .. |
| Private creditors | 11 | -6 | 28 | .. |
| Foreign direct investment (net inflows) | 0 | 47 | 201 | .. |
| Portfolio equity (net inflows) | 0 | 0 | 0 | .. |
| World Bank program | | | | |
| Commitments | 0 | 68 | 27 | .. |
| Disbursements | 22 | 52 | 112 | .. |
| Principal repayments | 7 | 19 | 0 | .. |
| Net flows | 15 | 33 | 112 | .. |
| Interest payments | 9 | 9 | 3 | .. |
| Net transfers | 7 | 24 | 109 | .. |



The World Bank Group: This table was prepared by country unit staff; figures may differ from other World Bank published data.

8/25/05

Annex 3.3 Selected macro-indicators for Nicaragua

Macro Economic Indicators

| | Unit | 2000 | 2001 | 2002 | 2003 | 2004 | *2005 | *2006 |
|---|--------------|----------|----------|----------|----------|---------|----------|----------|
| GDP current prices | USD billions | 3,9 | 4 | 4 | 4,1 | 4,4 | 4,7 | 5 |
| GDP current prices, per capita | USD | 782 | 774 | 750 | 754 | 788 | 821 | 848 |
| GDP annual change | Percent | 4,2 | 3 | 1 | 2,3 | 4 | 3,5 | 4 |
| Current account balance | USD billions | -0,794 | -0,799 | -0,809 | -0,811 | -0,949 | -0,976 | -0,969 |
| Current account balance in percent of GDP | | -20,1 | -19,9 | -20,2 | -19,6 | -21,4 | -20,6 | -19,3 |
| GDP based on purchasing-power-parity (PPP) per capita GDP | USD | 2490,323 | 2557,689 | 2550,183 | 2588,569 | 2677,1 | 2778,888 | 2882,894 |
| GDP based on purchasing-power-parity (PPP) share of world total | Percent | 0,028 | 0,028 | 0,028 | 0,027 | 0,027 | 0,027 | 0,027 |
| GDP based on purchasing-power-parity (PPP) valuation of country GDP | USD billions | 12,584 | 13,273 | 13,627 | 14,196 | 15,067 | 16,052 | 17,069 |
| GDP, deflator | index | 194,277 | 203,301 | 212,844 | 227,735 | 246,304 | 263,363 | 276,344 |
| Inflation | (2000=100) | 100 | 107 | 112 | 117 | 127 | 135 | 142 |
| Inflation, annual change | percent | 11,5 | 7,4 | 4 | 5,2 | 8,2 | 6,5 | 4,8 |

Source: International Monetary Fund, World Economic Outlook Database, April 2005

* Forecast

| | Unit | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|--|-------------|--------|--------|--------|--------|------|------|------|
| External sector: | | | | | | | | |
| Deficit (-) current prices in percent of GDP | Percent | -23,4 | -23,2 | -21,7 | -20,8 | | | |
| Exports of goods fob | USD million | 642,8 | 605 | 561 | 604,5 | | | |
| Imports of goods fob | USD million | 1653,1 | 1620,4 | 1617,6 | 1720,3 | | | |
| Gross total reserves | USD million | 496,7 | 382,8 | 454,2 | 504,2 | | | |
| Net total reserves | USD million | 319,2 | 211,2 | 275,4 | 308,3 | | | |
| Total external debt | USD million | 6659,9 | 6374,2 | 6362,6 | 6595,8 | | | |
| Public sector: | | | | | | | | |
| Fiscal pressure in percent of GDP | Percent | 14,5 | 13,7 | 14,2 | 15,8 | | | |
| Current saving in percent of GDP | Percent | 2,8 | 0,3 | 2,2 | 2,9 | | | |
| Nonfinancial balance before grants in percent of GDP | Percent | -8,9 | -9,9 | -5,8 | -6,7 | | | |
| Nonfinancial balance after grants in percent of GDP | Percent | -4,4 | -6,1 | -0,8 | -1,4 | | | |
| External financing in percent of GDP | Percent | 7,9 | 7,1 | 7,7 | 9,6 | | | |
| Intern financing in percent of GDP | Percent | 1 | 2,9 | -1,9 | -2,9 | | | |

Source: Central Bank of Nicaragua 2005

Annex 3.4 External trade Table

| País Origen/Destino | IMPORTACIONES (valores en US\$) | | | | | | | | | | EXPORTACIONES | | | | | | | | | |
|--------------------------------|---------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------|---------------------|---------------------|---------------------|---------------|-------------|-------------|-------------|-------------|-------------|---------------------|---------------------|---------------------|---------------------|
| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 ⁽¹⁾ | 2001 ⁽²⁾ | 2002 ⁽³⁾ | 2003 ⁽⁴⁾ | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 ⁽¹⁾ | 2001 ⁽²⁾ | 2002 ⁽³⁾ | 2003 ⁽⁴⁾ |
| | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor | Valor |
| EUROPE | | | | | | | | | | | | | | | | | | | | |
| Alemania | 23.424.844 | 22.664.371 | 25.051.688 | 21.939.256 | 20.398.551 | 26.667.977 | 28.621.800 | 35.820.278 | 34.648.169 | 42.081.207 | 44.118.961 | 57.996.949 | 61.062.292 | 60.535.299 | 61.200.201 | 53.459.115 | 55.065.006 | 29.073.584 | 13.076.451 | 9.497.424 |
| Austria | 1.996.294 | 1.398.341 | 1.944.568 | 822.169 | 953.218 | 596.665 | 976.952 | 1.523.475 | 1.760.286 | 1.542.050 | 46.561 | 2.836 | 552.178 | 758.134 | 292.271 | 276.078 | 680.099 | 60.788 | 745.615 | 824.361 |
| Bélgica-Luxemburgo | 16.617.133 | 5.718.432 | 9.521.784 | 7.424.264 | 4.090.132 | 6.513.191 | 8.772.514 | 8.369.904 | 8.797.744 | 10.679.355 | 9.712.715 | 17.490.702 | 16.812.894 | 15.080.914 | 19.773.602 | 20.250.909 | 19.682.373 | 7.671.360 | 3.524.388 | 3.786.809 |
| Bulgaria | 1.588.462 | -- | 10.581 | 95.242 | 43.194 | 3.333 | 2.874 | 33.117 | 83.499 | 2.991 | -- | -- | -- | 19 | 13 | 750 | 5.461.400 | -- | 90.438 | -- |
| Chile | -- | -- | -- | -- | 11.928 | 8.212 | 55 | 172.576 | -- | -- | -- | -- | -- | 58.908 | -- | -- | -- | 28.013 | 140 | 10 |
| Dinamarca | 5.547.829 | 11.539.717 | 2.782.892 | 3.170.090 | 2.081.688 | 2.412.269 | 2.717.519 | 1.269.300 | 1.750.425 | 1.408.693 | 158.062 | 694.267 | 2.032.708 | 827.933 | 923.973 | 76.731 | 1.304.464 | 1.013.007 | 243.689 | 218.313 |
| Estonia | -- | -- | -- | -- | -- | -- | 75.353 | 11.966 | 113.303 | -- | -- | -- | -- | 40 | -- | -- | -- | -- | -- | -- |
| Eslovenia | -- | -- | -- | -- | -- | 271 | 4.487 | 45.406 | 56.354 | 61.516 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| España | 19.009.230 | 23.762.339 | 30.197.993 | 63.831.624 | 21.843.189 | 16.740.312 | 16.727.309 | 23.988.385 | 32.393.598 | 26.872.043 | 13.586.447 | 39.514.284 | 73.258.106 | 60.043.674 | 23.452.694 | 13.275.833 | 12.838.545 | 9.991.152 | 11.410.978 | 16.070.515 |
| Estados Unidos | -- | -- | -- | -- | -- | -- | -- | -- | 1.594.184 | 87.174 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Finlandia | 591.362 | 2.670.275 | 165.164 | 109.575 | 1.135.235 | 379.684 | 174.453 | 385.212 | 546.173 | 2.081.957 | 419.957 | 1.126.401 | 1.868.897 | 3.205.885 | 3.567.065 | 3.096.105 | 2.241.167 | 2.465.640 | 3.593.576 | 2.916.001 |
| Francia | 11.705.813 | 10.709.085 | 14.287.460 | 10.830.925 | 6.170.177 | 11.139.840 | 7.446.416 | 10.132.666 | 9.579.013 | 11.686.073 | 4.427.844 | 9.958.960 | 9.089.401 | 8.359.131 | 11.686.073 | 8.741.780 | 9.021.084 | 5.976.510 | 9.621.683 | 5.043.581 |
| Grecia | 1.819.216 | -- | -- | 7.808 | -- | -- | 42.694 | 14.593 | 52.542 | 154.224 | 408 | -- | 4.115 | -- | 19.058 | 93.297 | 7.854 | 49.304 | 33.719 | 61.011 |
| Guadalupe | 25.137 | 13.934 | 404 | 11.399 | -- | 40.871 | -- | -- | -- | 14 | -- | 137 | -- | -- | -- | -- | -- | 306 | 46.704 | 45.242 |
| Guayana Francesa | -- | -- | -- | -- | 247.165 | -- | -- | -- | -- | 660 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Hungría | 51.377 | 7.176 | -- | -- | 2.201 | -- | 10.632 | 18.358 | 15.212 | 117.832 | -- | -- | -- | -- | -- | -- | -- | 14.438 | 2 | -- |
| Irlanda (Eire) | 26.264 | 208.103 | 174.546 | 217.015 | 81.575 | 594.346 | 373.045 | 1.142.233 | 1.262.857 | 2.242.518 | -- | -- | 55.045 | 32.016 | -- | 18.738 | 2.097 | 20.519 | 24.602 | 26.813 |
| Italia | 8.327.521 | 8.218.444 | 10.727.292 | 6.673.647 | 5.484.352 | 9.777.743 | 8.530.912 | 9.729.471 | 11.620.849 | 10.088.777 | 3.708.431 | 8.010.098 | 4.488.295 | 4.954.956 | 5.192.696 | 3.917.070 | 4.481.707 | 4.032.089 | 4.892.115 | 5.048.300 |
| Letonia | -- | -- | -- | -- | 950.353 | 1.033.868 | 1.110.961 | 4.640.478 | 2.201.053 | 607.879 | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1.076 |
| Lituania | -- | -- | -- | -- | 10.314 | -- | 35.847 | 14.651 | 10.106 | 4.414 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Malta | 22.665 | -- | -- | -- | -- | -- | -- | 22 | 988 | 224 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Martinica | 2.305 | 670 | -- | -- | -- | -- | -- | -- | -- | -- | 50.259 | 2.073 | -- | -- | -- | -- | 1 | -- | -- | 1.995 |
| Países Bajos | 5.575.705 | 6.694.146 | 6.271.360 | 4.096.343 | 38.464.263 | 5.534.589 | 12.418.998 | 4.448.070 | 5.040.446 | 7.193.705 | 3.247.339 | 16.835.169 | 16.274.617 | 6.909.014 | 11.787.026 | 5.768.923 | 7.040.351 | 6.236.072 | 2.617.526 | 3.128.778 |
| Polonia | 388.766 | 2.611.874 | 601.174 | 165.557 | 1.446.114 | 626.038 | 831.116 | 119.423 | 112.357 | 146.732 | 181.884 | -- | -- | 63.732 | 86.531 | 15.418 | 1.125 | -- | 16 | -- |
| Portugal | 13.094 | 84.749 | 187.523 | 455 | 2.932 | 24.253 | 20.457 | 792.107 | 491.239 | 306.009 | 3.894 | 5 | 227.175 | 62.486 | 251.962 | 1.039.948 | 694.545 | 222.497 | 336.971 | -- |
| Reino Unido | 2.228.476 | 4.999.677 | 5.790.253 | 3.703.077 | 3.710.576 | 2.937.337 | 3.383.060 | 4.301.884 | 6.421.341 | 9.260.580 | 4.953.424 | 9.879.071 | 24.404.616 | 20.467.003 | 10.422.845 | 6.182.708 | 13.405.241 | 15.712.491 | 15.294.426 | 16.797.996 |
| República Checa | 380.781 | 255.702 | 141.014 | 68.119 | 59.665 | 79.129 | 7.872 | 182.339 | 257.053 | 297.922 | -- | 7.532 | 159.865 | 192 | 305.422 | 2.013 | 700 | 425 | 216.738 | -- |
| Renión | -- | -- | -- | -- | -- | -- | -- | 22.896 | 864 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Rumania | 1.565.590 | -- | -- | 7.819 | -- | -- | 163.147 | 236.257 | 57.254 | 63.112 | -- | -- | -- | -- | 2.602.461 | 10.273 | 7.113.431 | -- | -- | 3.205 |
| Suecia | 3.003.637 | 2.685.076 | 3.890.289 | 1.656.039 | 691.257 | 1.539.039 | 1.463.882 | 4.182.904 | 21.238.594 | 32.754.985 | 335.362 | 10.785 | 993.834 | 416.876 | 364.005 | 326.671 | 1.238.882 | 1.008.705 | 837.253 | 985.769 |
| | 103.709.691 | 104.242.081 | 111.754.785 | 124.830.403 | 107.878.079 | 86.520.185 | 93.055.510 | 111.661.358 | 140.004.666 | 159.399.419 | 84.946.548 | 161.639.269 | 215.004.318 | 181.776.212 | 152.463.630 | 115.766.574 | 140.624.150 | 84.140.073 | 66.492.460 | 64.792.186 |
| | 12,2% | 10,3% | 10,4% | 8,5% | 7,0% | 5,0% | 5,4% | 6,3% | 7,3% | 8,4% | 24,2% | 31,7% | 32,6% | 27,3% | 27,6% | 22,7% | 22,3% | 15,8% | 11,9% | 10,7% |
| CENTROAMERICA | | | | | | | | | | | | | | | | | | | | |
| Bélica | 2.978 | 3.163 | 18.952 | 72.129 | 226.172 | 69.463 | 78.666 | 117.443 | 43.508 | 353 | 46.904 | -- | 33 | 4 | 55.276 | 145.188 | 258.121 | 66.248 | 46.664 | 96.557 |
| Costa Rica | 68.237.872 | 82.234.911 | 90.576.919 | 120.128.296 | 162.588.631 | 207.694.829 | 198.778.381 | 188.077.565 | 150.935.079 | 164.966.344 | 25.504.291 | 17.328.700 | 13.338.716 | 22.811.637 | 25.489.545 | 27.493.751 | 37.743.021 | 36.622.747 | 48.342.277 | 49.284.542 |
| El Salvador | 34.534.210 | 40.497.296 | 46.356.395 | 59.829.371 | 72.010.396 | 99.874.031 | 122.845.935 | 110.951.264 | 96.300.123 | 83.749.097 | 37.114.156 | 41.284.228 | 58.098.234 | 56.746.845 | 57.646.143 | 68.166.969 | 70.762.104 | 75.852.167 | 86.674.953 | 104.280.117 |
| Guatemala | 69.256.438 | 79.656.680 | 90.402.823 | 97.499.424 | 112.887.684 | 133.552.200 | 142.034.767 | 142.896.827 | 135.292.192 | 132.159.643 | 8.707.556 | 10.404.323 | 10.159.598 | 13.263.914 | 16.448.660 | 14.926.145 | 19.541.497 | 22.828.307 | 23.217.212 | 25.866.918 |
| Honduras | 18.306.330 | 25.882.229 | 32.440.459 | 54.017.626 | 70.669.813 | 78.101.172 | 27.030.385 | 23.363.078 | 8.210.442 | 32.762.961 | 12.574.948 | 14.009.237 | 19.594.259 | 28.452.014 | 22.911.052 | 34.474.102 | 36.167.775 | 38.614.678 | 38.428.495 | 43.377.214 |
| Panamá | 33.511.893 | 56.965.239 | 66.348.371 | 97.873.083 | 101.762.590 | 121.765.331 | 124.385.284 | 69.523.939 | 20.731.472 | 17.085.970 | 4.531.713 | 2.103.035 | 4.516.811 | 2.219.862 | 1.324.916 | 4.144.632 | 8.643.248 | 3.946.452 | 4.756.594 | -- |
| República Dominicana | 170.013 | 20.352 | 620.951 | 952.492 | 977.368 | 1.402.304 | 1.339.718 | 1.510.438 | 1.647.673 | 1.475.814 | 1.824.425 | 3.123.997 | 5.767.492 | 6.279.438 | 3.628.992 | 3.952.997 | 3.065.411 | 2.554.451 | 3.491.465 | 6.201.256 |
| Zonas Francas de Exportación | -- | -- | -- | -- | 191.675 | 21.059 | 370.986 | -- | -- | -- | -- | -- | -- | -- | -- | -- | 129.063 | -- | -- | -- |
| Zonas no Específicas de Centro | -- | -- | -- | -- | -- | -- | 2.018.599 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 603.717 | -- | -- |
| | 223.839.754 | 285.259.350 | 326.864.850 | 430.373.421 | 521.315.089 | 642.481.389 | 616.864.142 | 538.459.153 | 413.168.489 | 432.200.182 | 90.303.993 | 88.252.520 | 111.475.143 | 129.773.714 | 177.633.647 | 153.637.572 | 171.682.561 | 185.785.563 | 204.147.538 | 233.872.188 |
| | 26,2% | 28,3% | 30,4% | 29,3% | 34,0% | 37,3% | 33,9% | 30,3% | 23,1% | 22,7% | 25,7% | 17,3% | 16,9% | 19,5% | 23,1% | 30,2% | 27,3% | 34,9% | 36,5% | 38,6% |
| Estados Unidos de América | 214.105.810 | 304.053.128 | 361.267.997 | 545.103.646 | 462.670.678 | 566.304.224 | 416.934.258 | 416.507.932 | 480.693.316 | 505.507.915 | 144.113.556 | 206.126.359 | 290.963.933 | 300.299.575 | 207.794.795 | 179.734.795 | 257.894.615 | 140.748.425 | 202.337.120 | 205.692.886 |
| | 25,1% | 30,1% | 33,6% | 37,1% | 30,1% | 32,9% | 24,2% | 26,9% | 26,9% | 26,5% | 41,0% | 40,5% | 44,1% | 45,0% | 37,5% | 35,3% | 37,8% | 26,4% | 36,2% | 34,0% |
| América patrimonial | | | | | | | | | | | | | | | | | | | | |
| Brasil | 4.927.671 | 5.380.876 | 8.668.748 | 5.841.754 | 12.086.117 | 9.928.171 | 13.622.639 | 19.316.647 | 34.753.471 | 50.170.115 | 85.279 | 53.407 | 32.688 | 18.994 | 22.521 | 912 | 91.234 | 317 | 11.348 | 1.074 |
| Canadá | 13.140.128 | 13.998.034 | 22.653.312 | 22.056.631 | 16.171.480 | 20.353.940 | 25.813.291 | 19.149.049 | 12.586.004 | 2.678.225 | 5.639.733 | 4.602.275 | 2.083.059 | 9.025.333 | 6.988.285 | 25.425.781 | 19.628.646 | 19.412.634 | 19.412.634 | 21.348.717 |
| Chile | 899.961 | 747.284 | 1.354.792 | 1.489.589 | 1.489.585 | 1.559.934 | 10.571.413 | 7.181.629 | 11.539.922 | 10.482 | 1.937 | 3.192 | 3.164.846 | 4.901.682 | 4.901.682 | 1.08 | 3.798 | 51.037 | 357 | -- |
| Colombia | 8.831.244 | 6.363.892 | 12.757.275 | 17.933.130 | 47.700.552 | 11.123.350 | 3.807.035 | 7.989.612 | 6.953.850 | 8.519.525 | 1.035.440 | 1.859.067 | 2.208.959 | 1.870.789 | 453.431 | 81.974 | 1.128.933 | 117.774 | 255.7 | |

Annex 4. Millennium development goals, targets and other indicators

The following table presents a summary of the analysis of the Millennium Development Goals (MDGs) for Nicaragua, and indicates the possibility of achieving the goals. The table shows that there is a low possibility of achieving most of the goals.

Millennium Development Goals (MDGs) for Nicaragua

| | Goals (MDGs) 2015 for Nicaragua | Basis | 1998 | 2001 | 2015 goals | Objective ERCERP 2015 | Objective PND0 2015 | Will the goal be achieved? |
|-----|--|--------------|-------------|-------------|-------------------|------------------------------|----------------------------|-----------------------------------|
| 1.a | Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day (%) | 19.4 (1993) | 17.3 | 15.1 | 9.7 | 9.7 | 9.7 | Some possibility |
| 1.b | Halve, between 1990 and 2015, the proportion of people who suffer from hunger (%) | ... | 24.9 | 20.2 | | 7 | ... | Low possibility |
| 2 | Achieve universal primary education by 2015 (%) | 78.9 (1993) | 73.1 | 81.1 | 100 | 90 | 100 | Low possibility |
| 3 | Eliminate gender disparity in primary and secondary education by 2005 and to all levels of education no later than 2015 | ... | ... | ... | | ... | ... | Very possible |
| 4.a | Reduce by two-thirds the under-five mortality rate before 2015 (per 1000 live births) | 57 (1990) | 50 | 40 | 20 | 24 | 24 | Probably a low possibility |
| 4.b | Reduce by two-thirds the infant mortality rate before 2015 (per 1000 live births) | 42 (1990) | 39.5 | 31 | 14 | 20 | 20 | Probably a low possibility |
| 5 | Reduce by two-thirds the maternal mortality rate and provide universal reproductive health service before 2015 (per 100.000 live births) | 160 | 148 (1999) | 125 | 40 | 40 | 22 | Low to very low possibility |
| 6 | Stop the spread of HIV/AIDS, malaria and other major diseases and begin to reverse the incidence by 2015 (Incidences per 1000 inhabitants) | 0.47 | 1.28 | 3.27 | ... | ... | ... | Low possibility |
| 7 | Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources by 2015 | | | | ... | ... | | Low possibility |
| 8.a | Halve the number of persons without access to drinking water in 2015 (%) | 70 (1990) | ... | 70.5 | 100 | 100 | 90 | Low possibility |
| 8.b | Halve the number of persons without access to sanitation in 2015 (%) | 76 (1990) | ... | ... | 95 | 95 | 95 | Low possibility |

Sources: "Metas de Desarrollo, Seguimiento a la Cumbre del Milenio, Nicaragua", Managua 2003. UNDP, IDB, SECEP, WB and CONPES. "Plan Nacional de Desarrollo Operativo 2005-2009" SECEP. In relation to objective 8: Input from "Estrategia sectorial de agua potable y saneamiento", República de Nicaragua, 2004.

UNDP assessment of the likelihood of meeting Millennium Development Dgoals

(source: Sistematización comparativa, informes de cumplimiento de los objetivos de desarrollo del milenio en América Latina y el Caribe, Informes de país 2002-2005)

| NICARAGUA 2003 Objetivos y Metas propuestos | Situación Actual | Estimación de Cumplimiento | Desafíos y Prioridades | |
|---|---|---|---|----------------------------|
| 1. Erradicar la Pobreza Extrema y el Hambre <ul style="list-style-type: none"> ▪ <i>Reducir a la mitad a la proporción de personas con ingresos menores a un dólar por día</i> ▪ <i>Reducir a la mitad la proporción de personas que sufren hambre</i> | <ul style="list-style-type: none"> ▪ La proporción de población en extrema pobreza, definida en función del consumo per capita equivalente a 1 dólar o menos al día, se redujo del 19.4% en 1993 al 15.1% en el 2001. ▪ Del total de personas que viven en situación de extrema pobreza, el 76% reside en las zonas rurales del país. ▪ Las proyecciones realizadas con base en la información histórica oficial indican que la economía podría crecer en los próximos 14 años a una tasa promedio anual de 4.5%, y el PIB per capita en un 1.8% promedio anual. ▪ Considerando esas tasas de crecimiento, es posible que Nicaragua alcance la meta del Milenio. ▪ Aunque la producción de alimentos se ha incrementado en cerca del 30% desde 1995, los niveles de producción aun no son suficientes para alcanzar las necesidades diarias mínimas de 2.155 calorías recomendadas por la FAO ▪ En 2001, un 20,2% de nonos menores de 5 años tenia desnutrición crónica, y un 6.3% de desnutrición crónica severa. ▪ La población entre los 48 y 59 meses de vida presenta una tasa de desnutrición crónica del 26.7%, equivalente a 6.4 puntos porcentuales por encima del promedio nacional. | <p>Probable</p> <p>Poco Probable</p> | Políticas Sugeridas por el PNUD en el informe | Costeo de las metas |
| | | | <ul style="list-style-type: none"> ▪ Reconversión productiva: Para el logro de una tasa de crecimiento económico sostenido, sin afectar el medio ambiente, se requiere del desarrollo de conglomerados productivos para la exportación y la adecuación de los cultivos orientados a la autosuficiencia alimentaria. ▪ Desarrollo del Capital Humano: la identificación de nuevos nichos productivos y la reconversión productiva deben ir acompañadas de políticas orientadas a reducir el analfabetismo, mejorar la educación y calificación de la población en general y en particular la población joven. ▪ Reformas institucionales: el país debe continuar con las reformas que garanticen estabilidad económica, fortalecimiento de la institucionalidad y el estado de derecho. Esto es particularmente importante para desarrollar un clima de confianza para la inversión interna y externa, en tanto son soportes fundamentales para la creación de empleo de calidad. ▪ Dirigir programas de alimentación y desarrollo del sector agrícola a los grupos más vulnerables, en particular en las zonas rurales. ▪ Incrementar el nivel de sensibilización respecto de la salud y la nutrición. ▪ Mejorar la calidad y el acceso a los servicios de salud. ▪ Fortalecer la capacidad de dar respuestas a desastres naturales. ▪ Mejorar la infraestructura sanitaria y la calidad del agua. ▪ Disminuir la vulnerabilidad de los hogares: el grado de pobreza y la falta de fuentes alternativas de ingreso son los principales factores que inciden en el bajo consumo de alimentos y el hambre. ▪ Fortalecer el marco jurídico: Lograr la aprobación de la Ley de Seguridad Alimentaria y Nutricional, cuya iniciativa fue introducida ya ala Asamblea Nacional. | Na |
| 2. Alcanzar la Educación Básica Universal | <ul style="list-style-type: none"> ▪ Nicaragua ha realizado significativos progresos en el ámbito de la educación primaria. En 1993 la tasa neta de escolarización fue de 78.9%. Desde | Poco Probable | <ul style="list-style-type: none"> ▪ Disminuir las brechas en el acceso a la educación, en particular en las zonas rurales. ▪ Incrementar los gastos presupuestarios en educación. ▪ Mejorar la calidad de la educación, introduciendo programas de | |

| | | | | |
|--|--|-----------------------------|---|--|
| <p><i>Asegurar que en el año 2010, todos los niños y adolescentes puedan completar los 3 niveles de educación básica.</i></p> | <p>entonces ha mostrado un crecimiento importante, llegando en 2001 a 81.1%. En 2002, la tasa bruta de escolarización fue de 104.4%.</p> <ul style="list-style-type: none"> ▪ Existen también avances en las tasas de repetición. En 1997 la misma fue de 12.6% y en 2001 descendió a 6.7%. ▪ El promedio de años de escolaridad subió de 4.3 años en 1993 a 4.9 años en 1998. ▪ La deserción escolar es uno de los mayores problemas. En el 2001 la tasa de deserción fue de un 9.4% en primer grado y 17.4% en sexto grado. ▪ Un 54% de los niños trabajadores de entre 5 y 17 años declaró en el 2001 que no estaba integrado a ninguna modalidad educativa. | | <p>capacitación docente para superar el empirismo.</p> <ul style="list-style-type: none"> ▪ Apoyar programas orientados a la adaptación del sistema de enseñanza y aprendizaje a las necesidades y condiciones del país por medio de un nuevo sistema nacional de educación diversificada. Esto implica un sistema de educación de calidad, flexible y pertinente. ▪ Ampliar la cobertura, acceso y equidad de la educación, en particular en áreas rurales: acceso gratuito, obligatorio a servicios de enseñanza primaria, priorizando aquellos que se encuentran en mayor situación de pobreza así como las minorías étnicas. ▪ Fortalecer la implementación de la Estrategia de Reducción de la Pobreza, la cual incluye tres lineamientos básicos: <ol style="list-style-type: none"> 1) Ampliar la cobertura de la educación básica. 2) Mejorar la relevancia y pertinencia de la educación. 3) Modernizar el sector y profundizar el proceso de descentralización de los centros escolares. | |
| <p>3. Promover la igualdad entre los sexos y la autonomía de la mujer.</p> <p><i>Eliminar la disparidad de género en la educación primaria y secundaria hasta el 2005 y en todos los demás niveles hasta el 2015.</i></p> | <ul style="list-style-type: none"> ▪ Uno de los rasgos significativos del sistema educativo es la elevada participación de mujeres en la matrícula, superando a los hombres en todos los niveles escolares. ▪ La tasa bruta femenina en educación primaria es de 123.1% en la zona rural y 90.3% en las zonas urbanas. ▪ Pese a que las niñas presentan mejores indicadores tanto en matrícula como en rendimiento, tanto en los centros escolares como en su socialización posterior en el mundo del trabajo, persisten factores de discriminación: La tasa de desempleo de las mujeres duplica a la de los hombres, con 142% y 6.7% respectivamente. ▪ Dentro de la población ocupada, los ingresos promedios de las mujeres son un 20% inferior al promedio de los hombres. ▪ Las mujeres trabajan mayoritariamente en el sector informal (77%), con salarios muy bajos y desprotegidas de los derechos laborales básicos. | <p>Probable</p> | <ul style="list-style-type: none"> ▪ Mantener una equilibrada matrícula entre mujeres y hombres en todo el sistema educativo. ▪ Eliminar los estereotipos acerca de hombres y mujeres en la sociedad. ▪ Fortalecer políticas y acciones de igualdad de oportunidades en el marco de la Ley de Igualdad de Oportunidades. ▪ Fortalecer las unidades de género de las instituciones públicas, para que puedan incidir en la formulación de políticas sectoriales. ▪ Apoyar las iniciativas de la sociedad civil orientadas a promover la equidad entre hombres y mujeres y combatir la violencia intrafamiliar. ▪ Fortalecer la iniciativa del Sistema de Indicadores con Enfoque de Género (SIEG) para facilitar el monitoreo de políticas públicas desde un enfoque de género. | |
| <p>4. Reducir en 2/3 la tasa mortalidad de menores de 5 años:</p> <p><i>Reducir en 2/3 partes la tasa de</i></p> | <ul style="list-style-type: none"> ▪ Desde 1974-1998 las tasas de mortalidad infantil y de menores de 5 años se han reducido de manera constante, de 100 a 40 por mil nacidos vivos, y de 137 a 50 por mil nacidos vivos, respectivamente. ▪ Entre 1998 y 2001 se reduce la mortalidad infantil en más del 20%, como resultado de | <p>Poco Probable</p> | <ul style="list-style-type: none"> ▪ Incrementar los recursos presupuestarios en salud: según las cuentas nacionales en salud, el gasto es apenas de 19 dólares per capita, que se incrementa a 39 dólares con el aporte de la cooperación internacional. Por falta de recursos presupuestarios, la oferta pública de salud no permite que la población acceda a servicios de manera oportuna. ▪ Disminuir la pobreza: La pobreza limita el acceso a los alimentos, | |

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| <p><i>mortalidad infantil</i></p> | <p>la amplia cobertura del Programa Ampliado de inmunizaciones.</p> <ul style="list-style-type: none"> ▪ Sin embargo, se estima que el subregistro es del orden del 42% en las defunciones y 28% en los nacimientos. ▪ Existen marcadas diferencias en las zonas rurales y urbanas. La mortalidad infantil es de 28 por mil nacidos vivos en zonas urbanas, hay una brecha del 35% en las zonas rurales, donde la tasa es de 43 por mil nacidos vivos. | | <p>servicios de salud y compra de medicamentos.</p> <ul style="list-style-type: none"> ▪ Mejorar la infraestructura en servicios sociales básicos: mejorar las precarias condiciones de viviendas, alcantarillado sanitario, recolección de basura, particularmente en zonas rurales. ▪ Fortalecer las prácticas de cuidado de la salud, fortaleciendo prácticas de higiene, atención prenatal y referencia oportuna a servicios de salud en casos de enfermedad. ▪ Apoyar la reglamentación de la Ley General de Salud y el Consejo Nacional de Salud. ▪ Apoyar la adopción de un modelo de atención y definición de paquetes de intervención, para facilitar la prestación de servicios de salud a la población. ▪ Fortalecer el Sistema Nacional de Estadísticas Vitales (SINEVI), para mejorar el monitoreo y evaluación en el sector salud. | |
| <p>5. Mejorar la salud materna</p> <p><i>Reducir la tasa de mortalidad materna en 3/4 partes</i></p> | <ul style="list-style-type: none"> ▪ Entre 1990 y 2000, la muerte materna ha sido la principal causa de defunción de las mujeres en edad reproductiva. ▪ Los esfuerzos orientados a mejorar el registro de la información explican el incremento de la tasa de mortalidad materna, pasando de 106 por 100 mil nacidos vivos en 1998 a 121 por 100 mil nacidos vivos en 2001. ▪ Entre los principales factores asociados destacan la inaccesibilidad geográfica donde ocurren las muertes, ya que debido a los insuficientes o inexistentes medios de transporte, las mujeres no pueden acudir a centros de salud. Igualmente, las limitaciones de recursos económicos en el sector salud y la débil capacidad para abordar el problema en las comunidades y centros de salud. | <p>Poco Probable</p> | <ul style="list-style-type: none"> ▪ Mejorar la calidad y cobertura de la atención prenatal, parto y puerperio, implementando acciones de monitoreo, seguimiento y evaluación de la oferta y la calidad de los servicios. ▪ Promover la atención prenatal, parto y puerperio, para disminuir los riesgos de muerte materna. ▪ Incidir en una mejor atención para prevenir complicaciones en el embarazo, a través de programas de difusión del conocimiento y reconocimiento de los signos de alarma asociados al a emergencia obstétrica; de la sensibilización a los grupos y poblaciones que viven en situación de pobreza acerca de la importancia del auto cuidado; de la promoción de la educación en salud reproductiva, sexual y de planificación familiar, en los centros de salud y en los espacios propios de las comunidades. ▪ Apoyar acciones orientadas al incremento y fortalecimiento de las unidades de cuidados obstétricos de emergencia del Ministerio de Salud, en unidades primarias y secundarias de salud. ▪ Fortalecer el Sistema de Vigilancia de la Mortalidad Materna (SVMM) ▪ Fortalecer la estrategia de atención primaria de salud a la comunidad, con énfasis en la reducción de las inequidades por razón de género que conllevan problemas de salud para la mujer. | |
| <p>6. Combatir el VIH/SIDA, la Malaria y otras enfermedades</p> <p><i>Detener la propagación del VIH/SIDA y la incidencia de la Malaria y otras enfermedades, y comenzar a revertirlas en el</i></p> | <ul style="list-style-type: none"> ▪ La epidemia del SIDA en Nicaragua comenzó en 1987. En Mayo de 2002 se reportan 877 casos seropositivos acumulados, de los cuales 392 han enfermado y 208 han fallecido. ▪ La tendencia es ascendente y acelerada, con un incremento anual de 24% de casos. ▪ Se caracteriza por una feminización de la epidemia. La relación hombre-mujer en el 2000 era de 7 por 1 respectivamente, pasando a una relación de 3 por 1 en 2002 ▪ La tendencia de la malaria es a la reducción del número de casos, reportándose para el | <p>Poco Probable</p> | <ul style="list-style-type: none"> ▪ Apoyar los esfuerzos de fortalecimiento de las acciones preventivas sobre el SIDA, a través de un enfoque de planificación multisectorial ▪ Promover las gestiones que favorezcan el acceso y la disponibilidad de medicamentos a personas con VIH/SIDA ▪ Fortalecer la implementación del sistema de vigilancia de segunda generación. ▪ Fortalecer la implementación de estrategias para el control de la malaria en pueblos indígenas y grupos inter-fronterizos. ▪ Fortalecer los espacios de participación ciudadana, y de coordinación y acción intersectorial. ▪ Promover el control integrado de vectores como practica de salud publica ▪ Apoyar el sostenimiento de los logros alcanzados en reducción de la | |

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|---|---|----------------------|--|--|
| 2015. | ano 2000 un total de 24,014 casos (19,2% del total de Centroamérica). Casi la mitad de los casos ocurren en menores de 15 años. La mortalidad por malaria ha tenido una disminución entre 1998 y 2000, pasando de 52 a 2 fallecidos. | | malaria y la tuberculosis, evitar retrocesos en esa materia, y desarrollar nuevas acciones para el control del VIH/SIDA, teniendo en cuenta los siguientes desafíos: 1. Reconocer la magnitud de la epidemia. 2. Disminuir la transmisión en os grupos vulnerables 3. Reducir la transmisión de madre a hijo 4. Incentivar comportamientos sexuales seguros y la utilización de preservativos. 5. Motivar la realización de la prueba diagnostica. | |
| 7. Asegurar un medio ambiente sostenible <i>Haber logrado en el 2015 que todas las políticas y programas del país hayan integrado los principios del desarrollo sostenible y se haya revertido la pérdida de recursos naturales (ambientales)</i> | <ol style="list-style-type: none"> 1. La cobertura vegetal del país se ha reducido a un ritmo estimado entre 50-100 mil hectáreas anuales en los últimos 30 años. 2. Se estima que el 85% de los bosques tropicales secos y el 65% de los bosques húmedos han desaparecido en los últimos 300 años, debido al avance de la frontera agrícola, la expansión de la ganadería, los incendios forestales, la extracción de madera y el impacto de desastres naturales. 3. La contaminación con agroquímicos y la salinización han provocado que 15 de los mas importantes ríos están contaminados con aguas residuales domesticas e industriales. 4. 54% de la población de zonas rurales no tenia acceso a una fuente de agua segura en el 2002, mientras que en la zona urbana el 10% no accede a ella. | Poco Probable | <ul style="list-style-type: none"> ▪ Armonizar el conjunto de políticas y estrategias existentes en materia de ambiente, según principios de desarrollo sostenible. ▪ Fortalecer la institucionalidad y marco jurídico para la gestión ambiental en el ámbito local y sectorial ▪ Desarrollar una cultura de responsabilidad ambiental, tanto en el sector publico como privado, para la toma de decisiones y formulación de políticas publicas que incorporen criterios de sostenibilidad ambiental. ▪ Promover el ordenamiento territorial, como instrumento de gestión ambiental, lucha contra la pobreza y reducción de vulnerabilidades. ▪ Fortalecer la capacidad técnica y facilitar el acceso a recursos financieros para apoyar la modernización del sector energético, particularmente de fuentes renovables. ▪ Establecer un Sistema Nacional de información Ambiental para contar con un marco que apoye la toma de decisiones sobre políticas y estrategias de desarrollo sostenible. ▪ Promover el dialogo entre las organizaciones publicas, privadas y políticas, utilizando el Plan nacional Ambiental vigente, para la reversión de las tendencias de deterioro ambiental asociadas con procesos productivos, priorizando la atención a los recursos agua, forestal y suelos, así como la atención al manejo de residuos sólidos y líquidos, la educación ambiental y la coordinación interinstitucional. | |

Annex 5. Profiles

Annex 5.1 Gender profile (an overview of gender aspects in Nicaragua)

Nicaragua has established equity between men and women by Constitution. By law, there should not be any discrimination of any type by place of birth, nationality, political beliefs, race, sex, language, opinion, origin, economic or social conditions. In practice, as in many countries in the world, the gender situation is rather different.

Nicaragua is a small country, with a relatively small population – 5.4 million people, 50.02% women, and 49.08% men. The rate of urbanization degree is relatively high; 59% of the population is living in urban areas and only 41% in the countryside. 51.7% of urban population is female, while women are 47% of the population in rural areas. The country has a high rate of demographic growth (2.1%), the population having doubled in 30 years. The fertility rate is also high (3.7% annual), especially between adolescents, the highest in Latin America. In 2003 household size was 5.0 persons in cities and 5.7 in rural areas. Nicaragua is a young country: 39% of population is aged between 0-14, and 58% between 15 and 64 years.

The Human Development Index for 2004 is 118, and the Gender Related Development Index is 97. There is no data for Gender Potentiation Index, the tool used to catch the political and economic participation of women in the country, but the women presence in the political life is low: women in important positions in the Government or the private enterprise are scarce. Only 15.5% of cabinet members were women in May 2005. At the National Assembly, only 21% of its members are women, and for municipalities, the figure is 12.5%. There is no woman in the Directorate of national business chambers. The National Development Plan commissioned the National Institute for Women to work out a National Program for Gender Equity, whose results are supposed to cross cut all national public policies.

Besides assuming practically all the reproductive activities, women in Nicaragua play an important role in the national economy. During the last years, their participation in the labour market has increased from 18% in 1950 to 42% in 2000 and, according to different forecasts, this participation is still growing. The increasing participation of women in economic activities has been originated, on one hand, by a change of attitude through the Nicaraguan society have recognized the potential of women; and on the other hand, because many of these women are working to survive the crisis suffered by Nicaragua and there is a growing proportion of households where women are the only income.

Underemployment and employment in the informal sector are affecting women more than men, increasing their vulnerability and poverty, households headed by women usually staying in the lowest income group – 38.8% of extreme poverty households are in this situation. In general, 33% of households are in charge of women, revealing a high degree of paternal irresponsibility; this has been encouraged by traditional values and an educative system promoting assistance to school but not changing this values. There are still many sexist elements confirming men as social protagonists and women in secondary and mostly reproductive roles. Literacy rates by sex are similar: if there is a slight majority of women assisting to school, this is not a problem of quantity but of pertinence and quality of education.

Usually, women have problems to have access to vocational education, credit, training and technical resources in order to promote their own business or to have better employment conditions or insertion. The salary gap between men and women is estimated

at an average of 62.9% in 2002. On the contrary, the women's rate of participation in non-conventional credit programs is high: 59% and 38% in urban and rural areas, especially in the informal sector – but they have only respectively 42% and 17% of the funds. In 2001, the average amount of credits for women was 70% less than for men. Due to a traditional vision from the formal financial sector in that women do not have collaterals and resources of their own, women are not perceived as credit subjects. This situation is slowly changing: by 2001, 41.3% of the credits from commercial banks were for men and 31.4% for women. By law, men and women have equal rights to land access, and joint titling is compulsory. In 2003, women own 22% of titled lands, a clear advance respect to the situation in 1995, when this figure was only 13%. In urban areas, houses are mostly owned by women, with 52.5%, while in rural areas women possess only 29.9%.

Violence linked to gender is a growing concern: by 1998, a national survey on demographics and health indicated that 29% of coupled women have suffered some kind of physical or sexual abuse. In areas affected by Hurricane Mitch, domestic violence has increased. More than 30% of girls have been sexually abused before the age of 12; in half of these cases, the authors have been members of their close family. 70% of these girls have attempted to suicide. Only 20% of violence victims denounce the situation to the police, basically out of fear, but also because of the belief violence is a normal condition. Many times, officials in charge of law enforcing have gender prejudices, and thus, are double-victimizing the victim.

Gender Statistics – Nicaragua

| | Nicaragua | | Latin America and Caribbean | |
|---|-----------|------|-----------------------------|-------|
| | 1980 | 2000 | 1980 | 2000 |
| GDP per Capita (current US\$) | 670 | 777 | 2070 | 3700 |
| Total population (mio) | 2,9 | 5,1 | 356,4 | 510,0 |
| Female (% of total) | 50,1 | 50,2 | 50,0 | 50,7 |
| Life expectancy (in years) | | | | |
| Male | 56 | 66 | 62 | 67 |
| Female | 62 | 71 | 67 | 74 |
| Adult illiteracy rate (% of people above 15) | | | | |
| Male | 41,0 | 33,8 | 17,4 | 10,1 |
| Female | 41,4 | 33,3 | 22,8 | 12,1 |
| Labour force, female (% of total labour force) | 28 | 36 | 28 | 35 |
| total unemployment (% of labour force) | ... | 9,8 | ... | 9,2 |
| Female unemployment (% of female labour force) | ... | 9,4 | ... | 10,5 |
| Net primary school enrolment rate | | | | |
| Male | 70 | 80 | | 96 |
| Female | 71 | 81 | | 94 |
| Primary completion rates | | | | |
| Male | ... | 65 | ... | 79 |
| Female | ... | 74 | ... | 68 |
| Total fertility rate (births per woman) | 6,3 | 3,6 | 4,1 | 2,6 |
| Maternal mortality ratio (per 1000,000 live births) | ... | 230 | ... | 193 |

Gender mainstreaming is a need when addressing development policies. The importance is particularly important for some policies like education, agriculture ... It is also a governance problem. The Government of Nicaragua and the donor community should pay a particular attention to gender issues when designing and consulting sector policies. A larger implication of civil society, in particular women organization, during the consultation of these policies is also one of the ways to better mainstream gender issues.

Annex 5.2 Environment profile

The following text has been synthesized and completed from the “Regional Environmental Profile of the Central American Region”, published in 2005. The whole study is available on the RELEX website at http://europa.eu.int/comm/external_relations/ca/doc/index.htm.

Nicaragua is situated in the centre of Central American isthmus, between the Atlantic and the Pacific Ocean. The surface of the country is of 130.682 sq. km.; lakes represent 8% of this surface. The length of coasts is of 305 km. on the Pacific side and of 450 km. on the Atlantic. The climate is tropical, with two distinct seasons, winter or rainy season, and summer or dry season. Precipitations are decreasing from South-East to North-West, from up to 5 000 mm. per year in the area of Saint Juan River to 700 mm. per year in the dry areas of the Pacific. The annual average temperature varies from 28°C at sea level, to the 22° in the mountainous parts, depending of altitude.

The country is divided into three geomorphologic regions: the Pacific region, the Central mountainous region and the Atlantic region, with important differences due to the altitude, relief, soils, climate and natural vegetation. The Pacific area is characterized by seismic and volcanic activities, with depth soils derived from volcanic ashes. The natural vegetation is dominated by the dry or deciduous tropical forest. By contrast, the Atlantic region is characterized by old soils, an absence of active volcanoes and a fairly flat relief. The natural vegetation is a tropical humid forest of low altitude associated with high rates of biodiversity, large surface of pine forests in the North-East and swamps in the deltas of the large rivers of the region. The Central mountainous region is characterized by sharp relief and small intra-mountainous valleys, with sub-deciduous and mist forests in the highest areas.

Nicaragua is divided into two large hydrographical regions: the Pacific slope of 12 183 sq. km. and the Atlantic slope with 117 420 sq. km. The rivers of the Pacific slope are short, of small flows and generally seasonal. In the Atlantic, the rivers are draining water from the central mountainous area and are long, large flowed and often navigable in good part of their length. Nicaragua has two large lakes, Xolotlán or Lake Managua of 1.040 sq. km., and Cocibolca or Lake Nicaragua with an extension of 8.200 sq. km. Subterranean waters are important in the region of the Pacific, with large quantities in the plain of León-Chinandega, the isthmus of Rivas and the north-east of Lake of Managua. In the North and the Atlantic, the subterranean-water availabilities are poor and of low return, therefore superficial water is the main source of water.

Generally, almost all natural resources and ecosystems present problems of degradation, either due to inadequate use or to pollution. Soils are subject to important problems of erosion, even in the plains, due to inadequate cattle and agricultural technologies. In the Pacific, the best agricultural soils of the country are converted to urban areas, without any appropriate planning. Inadequate land use aggravates the problems of irregularities of flows and floods, reducing the amount of water infiltrating to the underground waters. Insufficient agriculture and cattle farming technologies not only bring erosion but also degrade the fertility and structure of soils by poor use of fertilizers and pesticides, which also are polluting. The agricultural frontier that advances to the Atlantic degrades fragile soils whose fertility comes from the primary forest by the recycling of nutriment. This provokes a spiral in which there are less primary forests in the area each year. The imprecision in the land tenure in these areas is an aggravating factor.

The primary ecosystems are strongly affected: in the Pacific, less than 10% of the primary forests still exist, including the mangrove swamps of the north-west, where activities of prawn farming are growing. In the Central North area, the primary forest has been replaced by extensions of coffee plantations, an agro-forestry system that preserves the native fauna, but also by basic grains cultivation in the slopes which has minimal productive returns and an important negative impact on soils and the native fauna. In the Atlantic, the agricultural frontier, associated to the chaotic logging, has provoked that the large forests are more and more reduced to smaller extension and biodiversity is decreasing significantly.

Gold extraction in the areas of Chontales, Siuna and Bonanza, and Larreynaga, where existing, has caused considerable impacts, not only because it is open-sky extraction, but also through the use of heavy metals by the small miners and cyanide by large extracting companies. The most visible impacts are erosion and sedimentation of rivers, deforestation in the mining areas, and effect on the wild fauna and cattle that drink contaminated river water.

Nicaragua does not have an important fishing fleet. However, prawns, crayfishes and crabs are overexploited in the fishing area of Cayos Miskitos, Corn Island (in the Atlantic) and the Gulf of Fonseca (in the Pacific). The consequence is a decrease in the average size of prawns and crayfishes and an increase in the fishing effort. Other products of the sea, like oysters, black shells, turtle eggs, sea snails, etc., are subject to partial or total prohibition by the national legislation because of overexploitation.

The growing urbanization induced problems of accumulation and collection of solid and liquid waste. Clandestine trash collectors are observed near all cities of Nicaragua and practically all rivers or lakes close the cities are contaminated. The problem also exists on the beaches during summer time. In the largest cities, the air pollution due to vehicles is increasing. In addition, the agro-industry contaminates the main water due to the absence of treatment of its waste.

Even though tourism is a more and more promoted activity and though the attractions of Nicaragua are predominantly its natural resources, pollution, urbanization and environmental degradation threat this promising economic activity.

The country has an institutional and legal framework in environmental matters. There exists a General Law of Environment exists, a Forest Law and regulations for protected areas, an environmental impact regulation, and a new Law of Waters is under examination in the National Assembly, in addition to many other legal instruments. It has ratified all the international agreements relating to it. However, the lack of financial resources to make operational the institutions, but above all the lack of an environmental conscience among the population and among the same State institutions, is serious obstacles to sustainable development. Paradoxically, the different donors directly active in environmental field, which includes most traditional donors, are facing absorption capacity problems for sustainable projects or programmes. A general conclusion for the donors community is the need for a better mainstreaming of environment within development projects and national policies, which this should be the preferred way to support environment.

Annex 5.3 Migration profile²

Migration is a complex phenomenon, the consequences of which are felt at the economic, social, political and cultural spheres. The Nicaraguan migration differs from other Central American countries. Moreover, there has been a change in the destination of emigration and its structure over the past decades.

During the 1970's, the years of Nicaragua's protracted conflict, there was a migratory dynamic with important flows of population inside the country and towards neighbouring countries (mainly Honduras and Costa Rica). In addition, numerous members of the oligarchy and their families left Nicaragua to host countries (in particular the USA, Guatemala, Mexico and Canada). The peace process permitted the return of the majority of refugees, but not all of them. In particular, a large community of Nicaraguans or bi-nationals is settled in the US, mainly in the South of the country, travelling from time to time to Nicaragua.

During the last decade, the emigration flow has increased; the composition and destination of emigration have changed. Nicaraguans emigrate mainly to neighbouring countries with a higher development level, essentially Costa Rica, and to the "Northern counties" (mainly the US, but also Canada and Mexico) being the US a "traditional" destination³. 30.2% of the skilled population is emigrating⁴, but the Nicaraguan migrant population is divided: the more educated migrants head to the U.S., while those with less education and fewer skills tend to move to Costa Rica. Thus there are two types of emigration.

This new type of emigration is due to the lack of opportunities, in particular in the rural areas where the slow rate of growth of the economy, the lack of support to the agricultural sector, the incertitude in land tenure; resulting poverty, marginalization, inequalities and the hypothetical success stories of compatriots who emigrated earlier, have all contributed to render emigration as the only possible solution. For Costa Rica, it is also a response to the Costa Rican demand for foreign labour in the agriculture and service sectors.

The Nicaraguan population (not naturalized) settled in the US is estimated at 240,000 people documented, and 70,000 undocumented. Around 60% of migrants in the US are sending regularly remittance to Nicaragua, and 10% are doing it sporadically. The average sending is of 200 US\$ (150 US\$ a month) with a transfer cost of around 7%. Even though only 10% of the recipients have a bank account, transfers are likely to pass through the banking system or by licensed business (like *Western Union*). Nicaraguan recipients use remittances up to 83% for the basic needs of the family. The annual amount of remittances from the US is difficult to estimate but could be around US\$ 500 million per year.

Migration to Costa Rica is by far the most important and concerns equally both male and female populations. Around 225,000 Nicaraguans currently live in Costa Rica on a permanent (80% of migrants) or seasonal (for harvesting in rural areas) basis, and represent 75% of the foreign community in this country. In addition, there is an important undocumented population (due to access restrictions in Costa Rica) estimated between 300,000 and 800,000 persons. Nicaraguans are mainly active in the agricultural and manufacturing sectors. This constant emigrant stream has left lasting impressions on the

² Many information in this chapter is coming from: Miguel Orozco *et al.* : "*Transnational engagement, remittances and their relationship to development in Latin America and the Caribbean*", Georgetown University (2005)

³ On the other hand, the lack of adequate education has created a demand for qualified workforce, and thus there is a flow of temporal migrants (mainly Salvadorians) to Nicaragua.

⁴ Frédéric Docquier and Hillel Rapoport : *Skilled migration: the perspective of developing countries*, World Bank, 2004

Costa Rican society and Nicaraguans are mainly concentrated in the lowest social class of the country. Total remittances from Costa Rica account for around US\$ 200 million. The average per person is US\$ 70 monthly. The transfer is essentially informal, only 10% of the remittances are transferred using licensed business like *Western Union* or local Costa Rican banks. 95% of the funds from Costa Rica are reported to cover basic living expenses.

At present, the remittances from Nicaraguans living abroad account for between 13 and 18% of the country's GDP. Most of these funds are used for consumption of basic goods and services, and it can be argued to have a considerable impact in alleviating the levels of poverty in rural areas and it is thus an important element of social cohesion. The implications of remittances for national economy – and the corresponding potential multiplier effect on GDP, poverty, consumption and investment – are significant. Recent studies on remittances in Latin America have concluded on the necessity to lower transaction cost. Fees and commissions for sending money, although decreasing, are still expensive. Expanding fund transfer methods, increasing competition and educating customers about charges would help reducing the costs associated with money transfers. This is part of the regulatory policy currently supported by macro-economic programmes.

Studies showed that between 5 and 10% of remittances are saved or invested. Some people are in a position to use their money for enterprising activity. Both private sector and development players (in particular, the Inter-American Development Bank) can insert themselves as credit partners for these potential investors. Tying remittance to micro-lending has a potential to enhance local markets. This is part of Nicaragua's credit policy.

Annex 6. Cooperation with Nicaragua

Annex 6.1 Coordination and harmonisation plan.

In recent years, the Government of Nicaragua has been striving to improve donor coordination with the overall aim of increasing aid effectiveness and in doing so, reduce transaction costs and optimise the benefits of external resources. Clearly, in the local context, this task is a formidable one given the large number of donors (40) and the high volume of aid per annum (approx US \$550 million) not to mention the often precarious political and economic landscape which clearly threatens the sustainability and success potential of any harmonisation initiative.

Despite this complex backdrop, the Government of Nicaragua has made substantial progress particularly in the field of ownership whereby the Presidential Agreement in early 2003 establishing a formalised coordination mechanism of sector roundtables and the subsequent endorsement of the Managua Declaration, clearly demonstrates its readiness to be in the driving seat.

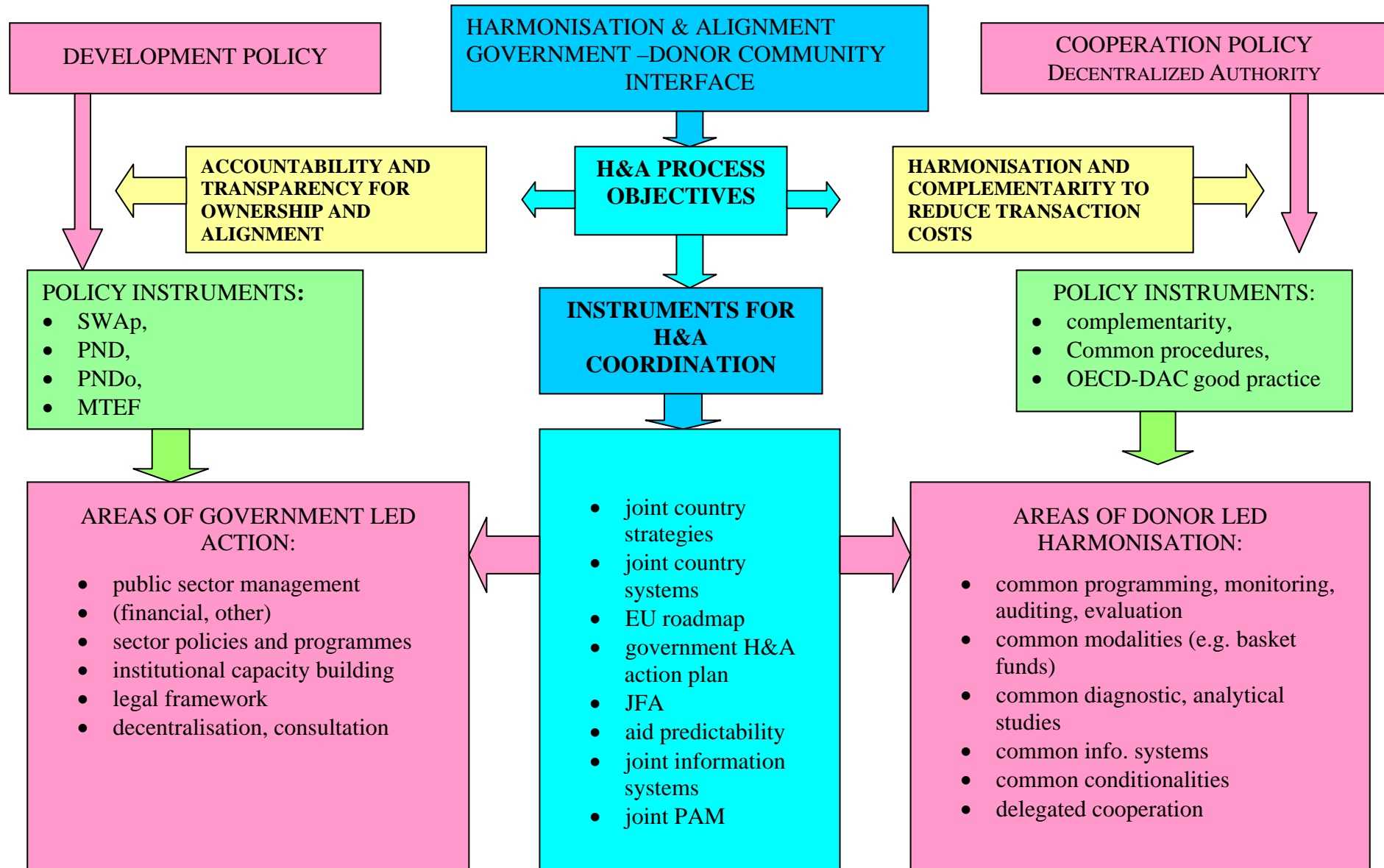
Nicaragua forms part of the OECD/DAC initiative for enhanced harmonisation and was one of four pilot countries selected to undergo a Joint Country Learning Assessment (JCLA) which aimed to provide a snapshot of advances in H&A and more importantly to identify future actions needed to enhance donor coordination. The current main challenge for Nicaragua and indeed one that will be relevant for the coming years is to translate H&A International Declarations (e.g. Paris Declaration) and national commitments together with the findings of the JCLA and other related studies/surveys into tangible progress on the ground.

To meet this challenge, the Government together with a group of Lead Facilitators (EC/UNDP/Netherlands/Japan) has developed a National Plan for Harmonisation & Alignment which has been adopted by the Government and donors in November 2005. This Plan identifies objectives, specific actions, indicators of achievement and deadlines for completion; the structure of the Plan reflects the three main pillars of ownership, harmonisation and alignment. The Plan will be monitored at both national and sector levels. Base lines for each indicator will need to be established together with monitoring mechanisms and regular feedback lines to ensure that the Plan does not remain a paper exercise but is well and truly embedded in local processes and is fully recognised by all parties as a tool for greater harmonisation.

The role and active tripartite participation of Government, donors and civil society in harmonisation-related actions is crucial to the success of this action plan. Many of the fundamental actions under ownership and alignment rely upon agreed and approved national strategies (e.g. PNDo) and related sector policies which are still under consultation and have in certain cases received considerable criticism concerning the way in which they have been developed given the lack of systemic involvement of civil society. Similarly donor-donor progress in terms of harmonisation relies heavily on a willingness to adopt new approaches whether in terms of financing modalities (moving from individually financed projects to common funding modalities for sector programmes) or indeed in terms of project cycle (moving from personalised follow-up to common platforms for missions/reports/evaluations etc).

The April 2006 GAERC proposes to initiate a joint multi annual programming framework for the EC and EU Members States. This could be applied for the mid term review of the present strategy.

HARMONISATION AND ALIGNMENT FLOW CHART



Annex 6.2 Cooperation of EU member states with Nicaragua

| COUNTRY | TYPE OF STRATEGY | VALIDITY | OBJECTIVES | FOCAL SECTORS |
|---------|---|--|--|--|
| Austria | Country programme Austria – Nicaragua Development assistance through OEZA | 2003 - 2006 | <ul style="list-style-type: none"> Promotion of good governance; Protection of the environment and natural resources | <ul style="list-style-type: none"> Small- and medium sized enterprises; Rural development; Education and health |
| Denmark | Estrategia de la cooperación Danesa en Nicaragua | 2004 - 2009 | <ul style="list-style-type: none"> Increased economic sustainability Improved human resources Human rights, democracy and governance | <ul style="list-style-type: none"> Agriculture Education Environment Transport Decentralisation, governance and democracy |
| France | Development Contract of debt alleviation Counterpart Fund (food assistance) Multi-Annual Regional Cooperation Program Commission mixte de coopération. | 2005 - 2006 2005 -2006 2005-2007 | <ul style="list-style-type: none"> Basic Primary Education Food Security Program Improvement of treatment against Cancer Fight against Dengue Improved security, and good governance Improvement of University capacities | <ul style="list-style-type: none"> Education Agriculture/Education Health Governance and democracy Geophysics, agriculture, linguistic, history |
| Finland | Development policy of Finland Guidelines for cooperation between Finland and Nicaragua | 2004 – Biannual, ratified in 2004 | <ul style="list-style-type: none"> Eradication of extreme poverty and hunger; Basic education for all; Promotion of gender equity and the position of women; Reduction of infant mortality; Improvement of the health of pregnant women; Fight against HIV/AIDS, malaria and others; Sustainable development of | <ul style="list-style-type: none"> Rural development; Health, in particular reproductive health; Municipal development and decentralisation; ICT (from 2004) |

| | | | | |
|-----------|---|------------------------------------|--|---|
| | | | <ul style="list-style-type: none"> environment; The creation of a global association for development | |
| Germany | <p>Country Strategy (2004), Priority Strategy Area</p> <ul style="list-style-type: none"> Technical assistance through GTZ and DED Financial assistance through KfW | | <ul style="list-style-type: none"> Promotion of good governance Fiscal transparency Local economic development Improved social and economic infrastructure Sustainable use of natural resources | <ul style="list-style-type: none"> Governance and decentralisation Environment and natural resource management Water and sanitation |
| Ireland | <p>Multi-Annual Programme Scheme (MAPS)</p> <p>Development Cooperation Ireland Central America Regional Programme</p> | 2003-2006 | <ul style="list-style-type: none"> Capacity building for civil society organisations to increase their delivery and coverage of high quality services to poor communities in a sustainable way | <ul style="list-style-type: none"> Education; Health; Livelihood/agriculture; Water and sanitation |
| Italy | Agreement of cooperation | | <ul style="list-style-type: none"> Promotion of sustainable development, peace and democracy; Satisfaction of basic needs and realization of basic needs; Promotion of development opportunities for women; Defence of the rights of children and adolescents; Reconstruction and stabilisation in emergencies and crises; Conservation of cultural and environmental heritage | <ul style="list-style-type: none"> Agriculture Infrastructure/productive Food security Sanitation Social sectors |
| Luxemburg | Indicative Cooperation Programme (ICP) | ICP: 2003-2006 ICP 2: 2007-2010 | <ul style="list-style-type: none"> Fighting poverty Access to social services Local and economic development | <ul style="list-style-type: none"> Water and sanitation Health and education Municipal development and decentralisation Train the trainers + Vocational training in the |

| | | | | |
|----------------|--|-----------------------------------|--|--|
| | | | | tourism sector. |
| Netherlands | Multi-annual strategic plan | 2005-2008 | <ul style="list-style-type: none"> • Improved security, stability and good governance; • Increased prosperity and poverty reduction; • Human and social development | <ul style="list-style-type: none"> • Public sector, governance • Private enterprise and trade • Social sectors (health, education and culture) |
| Spain | <ul style="list-style-type: none"> • Comisión Mixta de Cooperación • Plan Director de la Cooperación Española <p>Development assistance through AECI</p> | <p>2000-2004</p> <p>2001-2004</p> | <ul style="list-style-type: none"> • Equal and sustainable development; • Consolidation of democracy, institutional support, decentralization, human rights and social participation; • Contribution to a lasting and sustainable economic growth | <ul style="list-style-type: none"> • Coverage of basic social needs; • Investment in the human being; • Infrastructure and economic network; • Environment; • Social participation, institutional development and good governance |
| Sweden | Regional Strategy Central America and the Caribbean | 2001-2005 | <ul style="list-style-type: none"> • Decrease in the social and economic inequalities; • Democratic development of society | <ul style="list-style-type: none"> • Popular participation in the political processes; • Strengthening of the rule of law; • Good Government/good governance; • Support for economic reforms; • Social sectors; • Economic growth in the rural sector; • Urban sector/local development |
| United Kingdom | Latin America Regional Assistance Plan | 2004-2007 | <ul style="list-style-type: none"> • Good governance and public sector reform; • Social and economic inclusion | <ul style="list-style-type: none"> • Market access and international trade; • Public sector management; • HIV/AIDS |
| | Central America Regional Strategy Paper | 1999- | | |

Annex 6.3 Cooperation of EU Member States and various donors

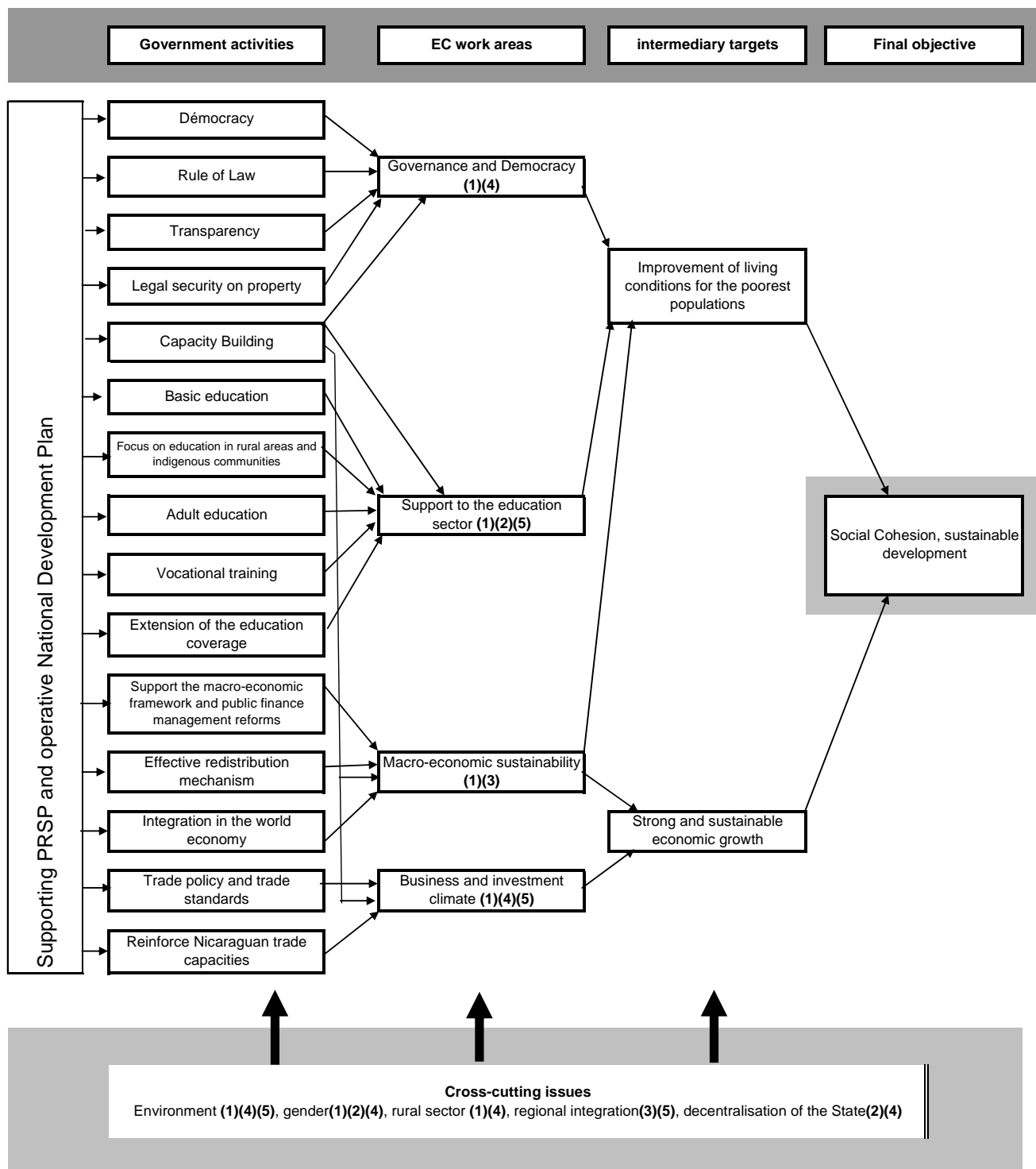
Disbursements 2004 (US\$ 1000) Source: Ministry of Foreign Affairs – SYSoda

| | N/D | Productive sector | | | | Economic Infrastructure | | | | | Social sector | | | | | | Financial | Other sectors | | TOTAL | | |
|--------------------------|--------------|-------------------|--------------|----------------|-----------------|-------------------------|-----------------|-----------------|------------|--------------|-----------------|-----------------|-----------------|----------------|--------------|----------------|----------------|-----------------|----------------|-----------------|------------------|-----------------|
| | | AGRO | FISH | NR | VARI | ENERGY | T&C | A&S | TEL | VAR2 | EDU | HEALTH | SOP | MUP | CUL | HOS | VAR3 | FIN | GOV | | VAR4 | |
| Germany | | | | 2,263.5 | 912.4 | 625.0 | | 4,748.6 | | | 417.9 | 481.5 | 2,289.2 | 473.0 | | | 520.8 | | 351.4 | 469.2 | 13,552.4 | |
| Austria | | | | 110.5 | | | | | | | 274.3 | | | | | | | | | | 384.8 | |
| Belgium | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Cyprus | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Denmark | | 2,691.9 | | 4,174.5 | | | 17,323.3 | | | | | | 47.1 | 2,749.4 | | | 822.1 | | 1,806.1 | 2,646.0 | 32,260.3 | |
| Slovakia | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Slovenia | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Spain | 397.6 | 325.0 | 162.0 | 721.2 | | 2,465.7 | 1,828.7 | 2,640.5 | | | 179.5 | 1,077.2 | | 579.6 | 261.9 | 352.0 | | | 872.9 | | 11,863.9 | |
| Estonia | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Finland | | 270.8 | | 1,117.2 | | | | | | | 955.8 | 199.9 | 2,455.5 | 992.3 | | | | | | 380.2 | 6,371.7 | |
| France | | | | | | | | | | | | | | | | | | | | | 556.7 | |
| Greece | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Hungary | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Ireland | | | | | | | | | | | | | | | | | | | | | 6.1 | |
| Italia | | 472.0 | | | | | | | | | | | | | | | | | | | 472.0 | |
| Leetonia | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Lithuania | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Luxemburg | | | | | | | | 2,998.3 | | | 1,007.4 | 2,303.8 | | | | | | | | | 6,309.5 | |
| Malta | | | | | | | | | | | | | | | | | | | | | 0.0 | |
| Netherlands | | 1,649.0 | | 28.0 | 1,080.5 | | | | | | | | | | | | | | | 11,606.1 | 1,519.0 | 17,854.2 |
| Poland | | | | | | | | | | | | | | | | | | | | | | 0.0 |
| Portugal | | | | | | | | | | | | | | | | | | | | | | 0.0 |
| United Kingdom | | | | | | | | | | | | | | | | | | | | | | 0.0 |
| Czech Rep. | | | | | | | | | | | | | | | | | | | | | | 0.0 |
| Sweden | | 4,458.7 | | 528.7 | 0.8 | | | | | | 2,683.5 | 2,475.8 | 409.3 | | | | 1,402.0 | | 12,131.5 | 5,383.7 | 2,966.9 | 32,440.9 |
| European Commission (EC) | | 192.7 | | | 16,413.0 | | 879.2 | 6,814.6 | | | 31,261.7 | 1,348.8 | | 2,520.0 | | | 110.3 | | 9,500.0 | | | 69,040.3 |
| EC + Member States | 397.6 | 10,060.1 | 162.0 | 8,943.7 | 18,406.7 | 3,090.7 | 20,031.3 | 17,201.9 | 0.0 | 0.0 | 36,780.1 | 10,238.9 | 6,232.5 | 7,314.3 | 261.9 | 352.0 | 2,855.2 | 33,237.6 | 8,450.0 | 8,129.0 | 192,145.3 | |
| World Bank | | 7,559.2 | | 940.1 | 1,126.5 | 208.2 | 21,328.2 | | | 967.3 | 9,190.6 | 2,589.1 | 64,174.2 | 5,657.2 | | | 1,499.9 | 768.9 | 7,244.1 | 2,844.3 | 126,097.8 | |
| BCIE | | | | 1,575.0 | | | 8,019.4 | | | | | | 1,491.8 | | | | | | | | 30.0 | 11,116.2 |
| Inter-American Dev. Bank | | 10,066.8 | | 5,773.4 | 3,164.2 | 4,689.8 | 17,329.4 | 4,078.9 | | | 6,141.2 | 15,260.9 | 35,478.3 | 1,145.1 | | 3,785.2 | 4,468.0 | 4,459.3 | 2,246.3 | 21,711.4 | 139,798.1 | |
| Canada | | 988.4 | | | 978.7 | 189.8 | | | | | 44.7 | 445.8 | | 134.7 | | | | | | 655.3 | 3,437.4 | |
| Chile | | | | 90.0 | | | | | | | | | | | | | | | | | 90.0 | |

| | | | | | | | | | | | | | | | | | | | | | |
|------------------|---------|----------|---------|----------|----------|----------|----------|----------|---------|---------|----------|----------|-----------|----------|---------|---------|----------|----------|----------|----------|-----------|
| China Taiwan | | | | 5.0 | | | | | | | 400.0 | 690.0 | | | | | 100.0 | 1,480.0 | 2,106.4 | 4,781.4 | |
| Nordic Dev. Fond | | | 1,618.0 | | | | | | | | 2,106.4 | | | | | | | 225.2 | | 3,949.6 | |
| FGSTM | | | | | | | | | | | 4,197.7 | | | | | | | | | 4,197.7 | |
| GEF | | | 2,659.1 | | 1,089.9 | | | | | | | | | | | | | | 227.4 | 3,976.4 | |
| IICA | 5,062.7 | | | | | | | | | | | | | | | | | | | 5,062.7 | |
| Japan | 2,000.0 | | | 7,400.0 | | | | | 1,500.0 | 3,000.0 | | | | | 210.0 | | | 3,000.0 | | 17,110.0 | |
| Norway | 43.5 | | | | 58.2 | | | | | | 437.5 | 1,154.8 | | | | 159.8 | 1,666.7 | 314.3 | 1,986.9 | 5,821.6 | |
| OEA | | | | 178.5 | | | | | | | 776.6 | | | | | | | | | 955.0 | |
| OECD | | | | | | 1,939.9 | | | | | | 979.5 | | | | | | | | 2,919.4 | |
| United Nations | 2,624.0 | 74.9 | 117.8 | 1,574.8 | 54.5 | 19.9 | 1,835.0 | | | 4,345.9 | 11,282.1 | 4,322.2 | 882.2 | 152.0 | 721.8 | | | 1,188.3 | 593.0 | 29,788.3 | |
| Switzerland | 1,573.9 | | | 2,000.0 | 1,192.6 | | 1,041.6 | | | | | 7,144.0 | | | | | | 965.5 | 313.8 | 14,231.4 | |
| USA | 4,660.0 | | 370.0 | 10,795.0 | | | | | | 1,752.0 | 951.0 | | | | 6,365.0 | | | 3,350.0 | | 28,243.0 | |
| TOTAL | 397.6 | 44,638.5 | 236.9 | 20,422.1 | 47,294.4 | 10,573.7 | 68,668.0 | 24,157.4 | 967.3 | 1,500.0 | 62,031.0 | 47,909.3 | 121,667.3 | 15,133.5 | 471.9 | 4,289.1 | 16,069.7 | 43,232.4 | 25,463.7 | 38,597.4 | 593,721.3 |

Annex 7. Programming scheme

This scheme represents the relation between the Strategy of Nicaragua, the Government's activities, the EC work areas, cross-cutting issues and the main targets.



- (1) Focal sector Governance and Democracy
- (2) Focal sector Education
- (3) Focal sector economic and trade issues
- (4) Thematic programmes and other instruments

Annex 8. Policy mix, main development policies and other instruments

To assess the coherence of the Nicaragua CSP, this annex presents relevant EU policies and guidelines affecting the country. Some policies are also development policies; some are linked to financial instruments or thematic programmes. All have a link with the past and future EC development policy toward Nicaragua. For each, different categories and levels of EU interventions are addressed, assessing the complementary and coherence:

- cooperation instruments and programmes: bilateral, sub-regional and regional, with a special focus on the complementarity of horizontal programmes and other financial instruments such as thematic programmes;
- regulatory instruments and international agreements;
- policy and political dialogue (bilateral and regional);
- mainstreaming into the different sector cooperation.

Annex 8.1 Trade & development

Article 133 of the EU Treaty constitutes the legal basis for the EU's trade policy. It states that the objectives of the Union's commercial policy is «*to contribute, in the common interest, to the harmonious development of world trade, the progressive abolition of restrictions on international trade and the lowering of customs barriers*». It covers all the main aspects of trade in agricultural and non-agricultural goods, services as well as key aspects of trade related aspects of intellectual property, investment and competition.

The main objective of the Union's trade policy towards Central America is:

- to strengthen and expand bilateral trade relations between the EU and Central American countries on the basis of transparent and non-discriminatory multilateral rules, and notably by means of strengthening the EC cooperation throughout the WTO negotiations launched at Doha.
- to support the regional trade and economic integration process in Central America.
- to support Central America in completing its international commitments, in particular fight against drug trafficking, international labour standard, human rights and environment, through autonomously granting market access to EU markets via the GSP scheme.
- to support the Central American countries' integration into the world economy by implementing their existing WTO commitments and to assist them in the negotiations and implementation of new commitments resulting from the new WTO round (Doha Development Agenda).

The strategy set out in this CSP, in particular with regard to economic cooperation, is fully in line with the achievement of these objectives. However, for the third item, Central America, including Nicaragua, is seeking a deeper relation notably through an association agreement which is considered, since Nicaraguan authorities consider this to be a much more powerful tool to attract FDI.

Support in trade-related matters is provided by the CSP and by the RSP for Central America and Latin America.

Annex 8.2 Common Agriculture Policy (CAP)

The "*Common Agricultural Policy*" (CAP), created by the Treaty of Rome, sought to increase the productivity of European agriculture, ensure reasonable living standards for farmers, stabilise farm produce markets and guarantee a stable food supply at fair prices for consumers. Since then, many changes to the CAP have been made, modifying price policy (reduction of prices support), restricting market interventions, regulating output, and introducing a system to control spending on agriculture involving an adjustment of market management to restore market balance; furthermore, more assistance is provided for social and environmental measures to stimulate development in rural areas. Those changes focussed on the evolution of the global economy and the need to implement WTO commitments to reduce market distortions.

Few agricultural commodities covered by the CAP enter into competition with Central American products. A notable exception is bananas and since the EU is an important destination for Central American products, Central American banana producers have voiced significant grievance concerning the impact Community policy in this field has had on their market access. Nicaragua, not even a significant exporter to the EU, is associated with other Latin American countries to present a common position against the common organisation of bananas. Latin Americans claim also that the CAP influenced indirectly different world markets. This is why Nicaragua inclines to be take part along other South American countries when discussing with the EU on agricultural matters.

Annex 8.3 Sanitary and phytosanitary control Policy – consumers protection

The external dimension of the Community policy in this sector aims to ensure a high level of protection of health, safety and economic interests of the consumers, as well as the protection of public health in the EU. The implementation of this principle is sometimes perceived as a measure of non-tariff trade protection that prevents the access of some products – mainly agricultural, but also meat - to the European markets even if the same principle is applied to European-made products.

At the same time, some Central American countries have raised concerns about what they feel as a non-reciprocal treatment by the EC in the implementation of certain Community principles of health inspection, such as that of regionalisation but also agreement of control institutions. Confusion is also added by the fact that the US and the European SPS systems are different.

This sector is of utmost importance for both regions, therefore this strategy is in total accordance with those important preoccupations, since they provide specific supports for Nicaraguan exporters in order for them to be able to fulfil EU requirements in this respect.

In addition, a specific effort is associated to SPS (Sanitary and Phytosanitary Measures); Nicaraguan experts are benefiting, like other developing countries, from a specific training system to SPS requirements by the EU.

Annex 8.4 Internal market

The principal aim of this policy is to strengthen the process of economic integration for a liberalisation of the markets as well as the development of a legislative framework compatible with that of the EC in order to:

- assure a suitable level of protection of industrial and intellectual property,
- prevent money laundering,
- protect personal data,
- guarantee minimum standards for public calls for tender, avoiding any kinds of restrictive measure of the markets.

Regulatory convergence is a factor of mutual benefits, by supplying trade and investments and favouring the investments of the EU companies abroad.

Annex 8.5 Competition policy

The interest of introducing competition policy in the EU's relations with third countries, mainly in the negotiation of trade agreements, is based on the establishment of a stable and clear legal framework for the relations between economic operators in order to prevent commercial conflicts.

At the same time, the discriminatory treatment between companies of both parties is avoided with respect to direct investments or access to the services market. Likewise, the EU takes part in multilateral cooperation in this sector in the framework of the World Trade Organisation (WTO). The WTO working group on "trade and competence" examines the possibility of strengthening the convergence of policies for which a multilateral horizontal action might be explored by the EC.

Nicaragua raises some concerns for its juridical insecurity, which is linked to the global governance problem. The EU competition policy and the CSP are in accordance since interventions promoting competition are included, in particular in the regional context. This issue is particularly relevant in the context of a possible future Association Agreement between the EU and CA.

Annex 8.6 Research and development policy

In the EU, international co-operation in this area is covered by the Research Framework Programmes through two principal axes:

- an international co-operation dimension for each thematic research programme and,
- a specific international S&T Co-operation programme that contributes to the solution of common or sustainable development problems in third countries and regions,

It should be noted that specific instruments of the EU Research Framework Programmes, that will be continued further under the 7th Research Framework Programme (2007-2013) also support research collaboration:

- exchanges of researchers from third countries are highly encouraged at all stages of research careers in FP6 under the Marie Curie activities,
- under the ERA-NET scheme the coordination of the bi-lateral cooperation programmes between EU Member States and Third Countries will be further reinforced.

Moreover S&T Promotion Platforms recently launched with Latin-America will further develop other possibilities for Nicaragua widening our partnerships from a predominately bilateral to a bi-regional context.

In addition, specific programmes developed at the level of the Regional Strategy Paper for America Latina complement the R&D policy in the area of high level education and cooperation between academic institutions (ALFA, ALβAN). The R&D policy is complementary to the CSP by strengthening links between Nicaragua, Latin America and Europe.

Annex 8.7 Governance, capacity building, rule of law

This is one of the decisive components for policies and reforms toward social cohesion. The level of social cohesion, economic development, environmental sustainability and human rights are depending on the quality of governance. Good governance is a critical factor for reaching the Millennium Development Goals even though there is no specific indicator related to it. The October 2006 conclusions of the Council and the Representatives of the Governments of the Member States, meeting within the Council, and the August 2006 communication of the Commission “*Governance on the European Consensus for the Development – Towards a harmonised approach within the European Union*” both propose a coordinated policy towards governance by: :

- using the external dimension of community policies,
- making use of political dialogue and development aid programming to encourage change and to adopt the requisite support measures,
- developing a common approach of the EU Member States, the Commission, the other donors and international organisations to support partner countries,
- developing a consistent common approach to promote all aspects of democratic governance.

The present strategy takes into account these recommendations. In the case of human rights and democracy, the EC mobilises support through the European Initiative for Democracy and Human Rights instrument ([see below](#)).

Annex 8.8 Human rights, democracy, indigenous people and democracy

The commitment in furthering human rights and democracy is a long-standing priority for partnership between the EU and the Central American regional, dating from the launching of the San Jose Dialogue in 1984. Democracy, the rule of law, human rights and fundamental freedom are basic principles of the European Union, independently of the fact that national Governments are responsible for these to be respected. In support to the promotion of these principles, the signature of the EU-Central America Political Dialogue and Cooperation Agreement in late 2003, of which it is a fundamental clause.

The basic idea is that democracy, rule of law, human rights and fundamental freedom are basic principles of the European Union, independently to the fact that national Governments are responsible of their respect. The EC has developed different instruments and priorities and raised a number of thematic matters.

The understanding of this traversal nature demands a considerable effort for assuring coherence. The EC identified three main areas for action:

- The stimulation of coherent support policies, looking for a better coherence between cooperation and external relations, complementarity between the EC and Member States, and the integration of these issues as cross-cutting within other policies and actions of the EU.
- Give a greater priority to human rights and democracy in the relations with third countries,
- Have a more strategic focus when addressing programmes and projects in this matter.

This is of particular relevance for Nicaragua, and therefore reflected in the CSP. The European Initiative for Democracy and Human Rights (IEDDH) instrument addresses the promotion of democracy and human rights through supports to civil society, universities, regional and international organisations. In recent years, Nicaragua was benefiting from some regional

financing in the area of promotion of a culture of human rights, equity, tolerance and peace. However, Nicaragua was not a target country within the initiative despite its situation regarding democracy. Some have voiced concerns about the way projects were selected and the system of “calls for proposals”. For the future, social cohesion should be added as a focal sector within the new instrument for human rights and additional attention would be given to supporting democracy, gender and ethnic equity.

In addition it is worth mentioning the Multi-annual Programme for Democracy and Human Rights in Central America (PPDDHAC) which includes two regional programmes and six country programmes aimed at the promotion and dissemination of human rights values and the instruments that guarantee human rights. The Multi-annual Programme is implemented by key organisations at regional level such as the Centre for Justice and International Law (CEJIL) and Institute for Human Rights (IDDH), while the six country programmes work with consortia of public and civil society entities involved in the defence of human rights and democracy at the national. The use of counterpart consortia of NGOs and other bodies has made a significant contribution to developing a new culture of joint analysis and collective action and has enabled the programme to build institutional bridges. This initiative is providing positive results and may constitute the basis for future initiative in this sector at both bilateral and regional level.

Finally, the Andean and Central American countries receive a special treatment within the framework of the Generalised System of Preferences linked to their international commitments towards good governance and promotion of Human Rights standards.

In addition, the Andean and Central American countries received a special treatment within the framework of the Generalised System of Preferences linked to their international commitment in relation to Human Rights.

Annex 8.9 Environmental policy

The priorities of the environmental policy for Central America are defined at three levels:

- The objectives and principles included in the 6th Community Environment Action Programme (6EAP, 2002-2011), in particular those related to climate change, biodiversity, health and quality of life, natural resources and waste.
- The mainstreaming of the environmental dimension into development policy, stressing the links between environment and poverty, and between environment policy and management of disasters;
- The encouragement of Central America to implement its international commitments under the different multilateral environmental agreements.

The above imply major changes which lay beyond the competence of environmental organizations and which are to address governance, education, economic policy and other sector policies. The integration of the environmental dimension in social cohesion is a fundament the EC is aiming to raise through policy dialogue. In this context, the Andean and Central American countries received a special treatment within the framework of the Generalised System of Preferences linked to their international environmental commitments.

A specific assessment has been carried out at the level of Central America to determine the environmental profile of the region. One of the main conclusions is that environmental issues have to be better addressed by a global mainstreaming through all sectors rather than by specific financing. Both at national and regional levels, environment is one of the main cross-cutting issues to mainstream. Environment is also addressed by the regional strategy for Latin America and horizontal programmes (e.g. education/ALFA; trade and Investments/AL-INVEST; local management/URB-AL).

The EC Communication on Water Management stresses the need to address the issue in close conjunction with social cohesion, regional integration, food security, and other cross-cutting issues. The Communication suggests providing a framework for water security, both in terms of quality and quantity, for all developing countries, so as to achieve sustainable development. The water management policy is linked to other policies: land use management, social policy such as health, disaster prevention, economic development, food security agriculture and rural development, regional integration and cooperation, good governance, trade, transport, gender equity. Finally, the Communication invites donors to join their efforts to assist partner countries by raising the issue on the political agenda promoting a shift in thinking in order to apply an authentic integrated approach. It is in this spirit that the EC has been involved in water issues in Nicaragua over recent years, financing different projects, in particular in rural areas. Water is a specific issue of the National Development Plan supported by the Commission and is considered jointly with rural (and urban) development and environment within the present strategy. In addition, special mention should also be made for “EU water initiative” which could provide additional support in the water sector.

Two specific EC horizontal budget lines for the environment have been mobilised over the years to provide funding for environment related interventions in Central America. The recent evaluation of these budget lines stressed the need for these to better reflect the principles described above. More specifically, concerns were raised in relation to the sustainability of the financed projects, their coherence with the national policies and, overall, preoccupations about the pertinence of project selection with regards to the needs of the country and the sub-region. The evaluation noted that the environment could be better addressed by these financial instruments and be considered in a long-term perspective, notably if better terms of references are drafted for the calls for proposals in conformity and coherent with the political priorities of the Commission towards Nicaragua.

Annex 8.10 Health and poverty

If social cohesion is set at the centre of the EU-LA relations, the EC health policy establishes the link between health and poverty, between health and well-being and development, including a reference to AIDS and other contaminating diseases. There is a consensus to make assistance more efficient by a more important ownership and participation of recipient States. Health is a sector largely financed by external assistance in Nicaragua.

Assistance related to AIDS, tuberculosis and malaria is financed through the Global Fund, using parallel administration, and often subcontracting activities to the national authorities. Some organisations are voicing the incoherence between the way the Global Fund is implemented and the objective to reinforce ownership. The Commission should raise this concern at the Board of the Global Fund in order to stimulate an assessment of the system of intervention the Global Fund for getting better ownership and sustainability.

The regional programme Eurosocial includes a provision for institutional capacity building in health policy and is open to the participation of Nicaragua.

Annex 8.11 Conflict prevention

In its Communication on conflict prevention, the Commission announced its intention to focus its cooperation programmes more clearly on addressing the root causes of conflict in an integrated manner. In this context, the Commission will seek to incorporate specific conflict prevention (or resolution) measures into its various sector programmes.

A first analysis of potential sources of conflict in Nicaragua has put in evidence several issues of concern: corruption, relative weakness and politicisation of the judicial system, juridical insecurity, unequal income distribution and access to natural resources and to social services, lack of social cohesion, limited transparency in public affairs, the over-dependence on a reduced

number of commodities, as well as regional influences such as the of the “*maras*”⁵ and drug trafficking. The Commission is addressing these issues both at regional and bilateral level in a complementary way. Addressing the agenda of social cohesion directly contributes to conflict prevention. In this respect, and though Nicaragua has not benefited from the specific EC budget line for conflict-prevention, the CSP is compatible with the conflict prevention policy.

Annex 8.12 Linking emergency, rehabilitation and development (LRRD)

Emergency aid addresses the immediate needs of populations affected by crisis. Rehabilitation is designed to support, in the mid-term, the recovery of development capacities of the affected populations. There is no standardised model for linking emergency to rehabilitation and rehabilitation to development.

This link has been of particular relevance for Nicaragua and Central America after the conflicts of the eighties and, more recently, after hurricane Mitch (through the Regional Programme for Rehabilitation and Reconstruction of Central America). Regional mechanisms of preparedness are under preparation, but at national level, Nicaragua is back in the phase of development after having experienced the previous phases.

EC humanitarian emergency response would be provided to affected population in case of natural and/or man-made disaster, through the General Directorate for Humanitarian Aid. EC Humanitarian aid will be duly coordinated with other EC services and EU Member States humanitarian actions.

In addition, ECHO’s disaster preparedness programme (DIPECHO) targets vulnerable communities living in the main disaster-prone regions of the world, of which Central America. DIPECHO tries to reduce risks by ensuring prior preparedness for the most vulnerable populations in the regions most affected by recurring natural disaster. It increases the response capacity by incorporating and coordinating activities at local, national, and regional levels. The experience gained through DIPECHO is very useful for other EC services, in particular those related to food security and disaster preparedness.

Annex 8.13 Migration, justice and home affairs

The current policy concerning immigration could have an impact on the development of Nicaragua and some Central American countries due to the extreme importance of remittances from immigrants in hosting countries in the macro-economic equilibrium (remittances represent around 20% of the GDP). For the moment, given the fact that the emigration flow from Nicaragua is directed to the USA and Costa Rica, the impact above mentioned is very limited. However, migration within Central America is a factor to take into account when addressing national and regional problems.

Annex 8.14 Employment, social affairs and equal opportunities

Employment is a crucial factor to achieve a high level of social cohesion. In this respect the EC promotes decent work for all in line with the ILO agenda. Core Social Responsibility (CSR) is a concept whereby companies integrate social and environment concerns in their business operation and their interaction with stakeholders on a voluntary basis. In consequence respect of fundamental labour rights is a key element of the EU policy. Social responsible initiatives by entrepreneurs have a long tradition in Europe, but CSR has also a global nature, with the issues of global governance and liberalisation, including their social and environmental dimension, dealing with both social cohesion and regional integration.

In the field of labour policy, Central America has recently reaffirmed its commitments to the ILO principles and fundamental labour rights through a declaration made on 30 June 2005 by

⁵ Armed gangs of violent young people present over Central America, Mexico and the USA.

labour ministers and representatives of employers and labour in support of the development of employment and “decent jobs”. The fundamental aims of this programme include promotion of international labour norms, employment creation, expansion of social protection and strengthening social dialogue

Annex 8.15 Information society

The main cooperation objectives pursued with Latin America in the Information Society field are the following:

- Promoting social cohesion through the development of an inclusive Information Society and fighting the digital divide within and between countries and regions and, in such, contributing to governance and to the economic and social development of Latin American countries;
- Fostering regional integration and the integration of Latin American countries in the global Information Society;
- Promoting investment and reinforcing commercial exchange with Latin America by creating a favourable environment in the region, notably by promoting efficient regulatory and policy frameworks, as well as open and global standards;

These objectives are specifically addressed by the Latin American regional strategy and the @lis programme which includes a high level regular policy dialogue between Latin America and the European Union.

Annex 8.16 Food security, rural development and sustainable resource management

The European Commission recognises that rural poverty is a multi-dimensional problem that includes low incomes, inequity in access to the production factors, low health and education standards, degradation of natural resources, vulnerability to natural disasters, and little political power. Rural development strategies should tackle all these issues and incorporate rural poverty strategies such as food security and sustainable natural resources management.

At national level, the European Commission sets out a policy of adapting its actions to the specific national context and to encourage political and sector dialogue including the private sector, civil society and NGOs.

The present strategy is in line with this policy, in particular with respect to the multi-dimensional aspect of rural development. Nicaragua has benefited from the thematic food security budget line in addition to the regular cooperation instruments. This combination of the thematic budget line and development cooperation has been highly positive and coherent, and should be a good example for the future use of the food security thematic programme. It should continue as being managed as it is.

Annex 8.17 Integration of the gender factor

The Community’s strategy on gender equity lays out a global framework to promote equality between men and women in five areas: economic life, equality of participation and representation, social rights, civil life and roles, gender stereotypes.

Gender issues are an important concern in Nicaragua. A gender profile has been made and can be found in [annex 5.1](#). It is one of the main cross-cutting issues of the present CSP. Although a specific gender budget line exists, it was not active in Latin America.

Annex 8.18 Participation of Non State Actors (NSA) in development

The European Commission’s policy is based on the recognition that ownership of strategy is the key to the success of development policies. Therefore, the most wide-ranging participation of all

segments of the society must be encouraged and implemented, respecting both the particular situation of each partner country and the central role of the Government complemented by decentralized authorities. Beside the implication of NSA in the present strategy, the Commission is committing direct financing to NSA through thematic programmes.

Besides sector budget lines detailed in other chapters, the Commission has been co-financing development activities proposed by NGOs for many years. Progressively, priority has been given to activities initiated by partner organisations and to larger projects. This financing was concentrated in two budget lines: the Co-Financing and the Decentralised Cooperation budget lines. The aim of these budget lines and the new NSA and Local Authorities Programme is to add a specific dimension to the EU development cooperation.

Those financing have been particularly active in Nicaragua. Recently, there has been a growing concern about the pertinence and the coherence of the selected projects. Being only demand-driven, there is a feeling that the financing has missed its role of supporting the process of implicating the local NSA in the development agendas. This was especially the case at the moment of supporting the implication of NSA in the discussions on poverty reduction strategies.

When co-financing the civil society and NGO in particular, a strong preference should be given to support processes and policies rather than financing local projects. Priority should be given to proposals complementing the focal sectors of the CSP and their main cross-cutting issues, but preserving the independence of civil society. The aim is to back up civil society, in particular its local actors, in participating to the design of global, sector and development policies, and in being active in the consultation processes⁶, in particular in the Harmonization and Alignment process.

Annex 8.19 The EU drugs strategy

At the external level, the EU drug strategy is based on strengthening coordination in the fight against drugs and on supporting the development of relations between third countries and the EU. Based on the principle of shared responsibility, the EU approach is comprehensive and multidisciplinary and focuses simultaneously on demand reduction, supply reduction, the fight against trafficking and international action addressing the overall social and economic development. This has been concretised by the EU-Latin American Action Plan of Panama adopted and ratified in 1999; Based on it, the Lisbon Priorities (2000) focussing action on demand reduction, alternative development, money laundering and maritime cooperation.

The 2004 EU-LAC summit in Guadalajara reaffirmed the essential role of international cooperation in the fight against illicit drugs and highlighted the increasing importance of dealing with drug trafficking and drug consumption. With respect to the institutional framework, cooperation with Latin America in the fight against illicit drugs, including Central America, takes place at bi-regional level in the EU-Latin America and Caribbean (LAC) Coordination and Cooperation Mechanism (first meeting in 1998), as well as at multilateral level in the meetings of the UN Commission of Narcotic Drugs (CND) in Vienna.

One should recall the special treatment received by the Andean and Central American countries, within the framework of the Generalised System of Preferences, in support to their efforts in combating drugs.

The objectives of the present CSP are coherent with the instruments put into place by the EC in its relations with Central America to fight drug trafficking. The Latin American regional strategy includes a new specific provision between the EU and Latin America to take place in addition to the *ad hoc* policy dialogue.

⁶ Nicaraguan Civil Society has a more political than social history. A new dynamic should take place through the concept of citizenship.

Annex 8.20 Education and training

The European Commission recognizes the vital importance of education in reducing poverty. Education priorities for the EC are:

- basic education, in particular primary education and teacher training,
- work-related training,
- higher education, especially at regional level.

At the level of primary education, the Commission is participating to the “Education-for-All” initiative (EFA-FTE). It is committed to improve the efficiency of the education system, stressing as much quality and quantity of education. At the level of higher education, the focus is on institutionalizing networks, exchanges of students, teachers and professors between Europe and the rest of the world.

As regard Nicaragua, different officials voiced that the focus on primary education from the donor community, together with the national attention on universities (which are benefiting from 6% of the State Budget), is creating a inequity of the different education levels, in particular vis-à-vis the secondary education. This lack of attention, added to the inadequacy between secondary education and the labour market, could have a perverse effect on education. They advocate considering education as a whole, with an equitable distribution of resources and attention and in coherence with the labour market needs. They also called for a more flexible approach regarding Education for All, in particular more ownership.

The Community is supporting the Education for All initiative and financing its coordination, helping it to be more flexible and adapted to specific situation. At the level of higher education, Nicaragua is participating to the regional projects ALβAN and ALFA, and to different initiatives of networking and exchange of students and teachers. Those initiatives at the level of high education are considered positive and should continue.

Mention should be made to the YOUTH programme which is an EU’s mobility and non-formal education programme targeting young people aged between 15 and 25 years. This programme also supports international cooperation activities with other partner countries including Latin America.

The CSP is fully coherent with the EU education policy.

Annex 8.21 Economic and financial affairs

In its international policy on economic and financial affairs towards Latin America, the Commission has two main priorities supporting the global agenda toward Latin America:

- to foster macro-economic stability and convergence
- to promote social cohesion

In matter of macro-economic convergence, the Commission participates in the policy dialogue among policy makers of Latin America, transmitting its own experience.

This exchange of experience is crucial for supporting regional economic integration, and is significant in helping the Central American integration agenda. Activities are financed and to be financed at the level the Latin American RES. Among other actions, the Commission contributes is supporting activities of the Economic Commission for Latin America and the Caribbean (ECLAC).

Annex 8.22 Fisheries and maritime affairs

The common fishery policy has the objective to protect fish resources by regulating the amount of fish taken from the sea, to help the fishing and aquaculture industries to adapt themselves to the constraints of the market, and to maintain a common organisation of the market.

Regarding third countries, the objectives are to set up fisheries agreements and to negotiate for common conservation measures in deep-sea fisheries, in order to guarantee both conservation and sustainable exploitation of fish resources. This includes close collaboration with developing countries to help them become more effective in fisheries matters, and support to the efforts to combat illegal and unregulated fisheries.

Regarding Nicaragua, there is a common objective on Atlantic tuna, prawn, and crayfish. Both the EU and Nicaragua are members of the Western Central Atlantic Fishery Commission) and the Inter-American Tropical Tuna Convention. Nicaragua and the European Union are collaborating closely in these international organisations, looking for the respect of international practices (management of fish resources, dolphin-safe catching). There is no restriction to the import of Nicaraguan fish products to the European Union.

Annex 9. Regional strategy for Central America - priorities for cooperation

The guiding principles that will underpin the 2007-2013 regional strategy for Central America can be set out as follows:

- *Strengthening political and economic relations between the EU and Central America*, which is the main instrument for facilitating the negotiation and implementation of an Association Agreement based on the mutual interest of both regions;
- *Contributing to the sustainable socio-economic development of Central America*, which would be the key instrument for developing classical development cooperation activities as set out in the 1993 Framework Cooperation Agreement and the Cooperation Chapter of the 2002 Political Dialogue and Cooperation Agreement signed between the EU and Central America;
- *Supporting the consolidation of the process of regional integration in Central America*, for which the Commission would provide support to the Central American integration agenda, building on the current regional cooperation programme channelled through the SG-SICA, SIECA and other regional institutions and taking advantage of the comparative advantages and specialised knowledge of the Commission in the area of regional integration.

Regional integration is not only a means of promoting political stability and sustainable development, but also constitutes a fundamental element of the EU and Central America's common strategic objective, the negotiation of an Association Agreement including a Free Trade Agreement. In this context, focusing cooperation on supporting the process of regional integration in Central America is fully in line with the Commission's priorities, reiterated in Guadalajara and Vienna, and will enable the Commission to capitalise on the solid basis established under the current regional strategy. It is underlined that the Commission is essentially the key actor in supporting with grant funds the process of establishing a customs union, developing and implementing common policies and strengthening regional institutions.

In principle, support for increasing social cohesion, the other key challenge that confronts the Central American region, will be provided through the country-level strategies, as will also be the case for sector initiatives including areas such as education, health, rural development and decentralisation.

Thus the main objective of the 2007-2013 Regional Strategy for Central America will be to support the process of political, economic and social integration in the context of the preparation of an Association Agreement with the EU. Within this objective, three groups of potential interventions can be considered.

The first group will include the **strengthening of the institutional system of the process of Central American integration**. In this context, cooperation may be directed to regional institutions, inter-governmental systems of coordination and national entities involved in the integration process. It is underlined that this support will be limited to the involvement of these institutions in questions strictly related to regional integration. Specific provision will be made to include the participation of civil society in the preparation and implementation of programmes in support of the regional integration process.

The second group will focus on: the **consolidation of the Central American customs union**; support for specific aspects of the economic integration process such as trade facilitation, services and investment and intellectual property rights; and the development and implementation of other harmonised and common policies and legislation within the Central American region that will

contribute to the creation of a common market. For the latter, initiatives that could be considered may range from fiscal policy and labour legislation to environmental measures, *inter alia*.

The third group of intervention will cover aspects of **strengthening regional security** in the context of mitigating the impact of the free circulation of goods, capital and persons. This constitutes a response to the growing wave of insecurity and crime in the region, which has its origin in the high levels of poverty and social exclusion and has been exacerbated by migratory trends and the opening of borders.

With regard to the orientation of support to the economic integration process, the Joint Assessment of regional economic integration in Central America provided a clear picture of the region's shortcomings in order to reach a sufficient level of economic integration . In addition, further needs arising from the process of negotiating and implementing an Association Agreement will be systematically taken into consideration in the design of support programmes under this strategy.

Finally, the coherence of the regional strategy for Central America with both the Regional Strategy for Latin America and the Country Strategies for the individual Central American Republics is assured through its fundamental regional integration focus. This approach permits: a) the Regional Strategy for Latin America to concentrate on horizontal issues and areas where the transfer of knowledge between the EU and Latin America is of critical importance; and b) the Central American country strategies to focus on nation-building policies such as governance, rule of law, social cohesion and sector programmes including decentralisation and local development.

Annex 10. General criteria on eligibility to budget support⁷

Budget support is direct or indirect support to the budget of the beneficiary state, managed in accordance with that state's budget procedures. All kinds of budget support represent a support to the balance of payments and a financing of the budget deficit for the beneficiary country.

- Macroeconomic budget support has also been called support for structural adjustment, support for economic reforms and budget support for poverty reduction. It covers the overall macroeconomic and budget framework of the beneficiary country.
- Budget support to sectoral policies includes budget support provided within a specific sectoral framework (e.g. food security, health, education, transport, etc ...). It does not imply targeting of aid funds towards the sector, since the previous experiences in this respect have produced distortions in the budgetary process and narrow impacts within the sector. Besides, fungibility of resources renders targeting as a virtual exercise.

Countries eligible for macroeconomic budget support must have a viable medium-term macroeconomic framework (or a PRSP in the case of IDA countries) supported, but not necessarily financed by the Bretton Woods Institutions. In general, where such a country needs to finance its external financing gap, this type of support can be justified. At the same time other needs of budgetary nature, such as those caused by the need to finance any economic or social policies agreed with donors, will also be considered.

Budget support for implementing coherent sectoral policies agreed with donors (e.g. the World Bank, EU Member States, etc), may be provided as sectoral budget support separate from - or in parallel with - macroeconomic programmes. Generally the sector budget support will be complementary to macroeconomic budget support. In practice, it is difficult to conceive of providing sectoral budget support in the absence of a macroeconomic support programme.

Work has been done on defining what a sectoral programme is and what minimum conditions it should fulfil. The general view within the donor community is that a sectoral programme should meet at least three criteria if it is to qualify for budget support. The criteria are:

- there must be a sectoral policy document and an overall strategic framework, designed after consultation of the stake-holders;
- there must be an annual budget, and a perspective of sectoral medium-term expenditure framework; the sectoral support programme can be an accelerator in the production of an MTEF;
- there must be a sufficient degree of coordination among donors within the sector, under the umbrella of the government.

Transparent, accountable and effective management of public expenditure and publicly open and transparent rules on public procurement are of paramount importance. In the absence of internationally agreed standard for Public Finance Management (PFM), the Commission is adopting a dynamic concept of PFM improvement within a medium term perspective. Recent work in the field of PFM by the Public Expenditure Accountability Programme (PEFA, www.pefa.org) financed by several donors, has been instrumental in setting benchmarks in order to appreciate PFM.

The assessment of the public finances of a beneficiary country is one of the fundamental pillars for the implementation of EC budget support. It is important to ensure both beforehand and in the

⁷ More information could be found in the EC "GUIDE to the programming and implementation of budget support for third countries"

course of implementing any support, that the direction of public finances management is improving satisfactorily. Improvement in the quality/effectiveness of public expenditure is one of the most important elements to be addressed in the analysis

The Commission may co-finance all support programmes together with other interested donors, such as the World Bank or the EU Member States. This should be reflected in the negotiation between Government and donors of a single framework of support in which the same objectives, disbursement schedule, conditions / verification indicators will apply, whilst leaving each donor free to make its own financing decisions. The arrangement could be formally embodied in a memorandum of understanding and a code of conduct applicable to all donors.

Analysis of medium-term macroeconomic framework and poverty reduction policies (for IDA countries) is an essential part of appraising support programmes. This is a continuous analysis process method.

Annex 11. Sector indicators for the focal sectors

Annex 11.1 Good governance and democracy

| Gobernabilidad Y democracia : meta nacional Objetivo especifico Acción Iniciativa | INDICADOR |
|---|---|
| 1 Institucionalizar un sistema de concertación y participación público-privada que identifique y promueva las rutas para la reducción de la pobreza y la ampliación de capacidades nacionales de desarrollo a la vez que concilia las intervenciones públicas con las privadas. | 15 departamentos y dos regiones autónomas implementan planes de desarrollo entre Gobierno y Sociedad a través de los CDD/CDR |
| 2 Capacidad institucional del sector público permite una gestión eficiente participativa y transparente administrando y proveyendo eficazmente los recursos, bienes y servicios. | Instancias nacionales de participación, los 15 departamentos y las dos regiones autónomas cuentan con mecanismos de acceso a la información pública sobre gestión |
| 3 La ciudadanía y los funcionarios públicos adoptan los principios del desarrollo sostenible en sus acciones. | 17 planes territoriales, programas y políticas de desarrollo sectorial operacionalizan los principios del desarrollo sostenible |
| 4 Reducir la desigualdad entre los géneros y promover la autonomía de las mujeres. | Planes de desarrollo territoriales, programas, leyes y políticas sectoriales incluyen criterios de equidad de genero |
| 5 A través de la consolidación, fortalecimiento y profesionalización de las instituciones que constituyen el sistema de seguridad ciudadana se logra su mejorar y ampliar los servicios prestados a la población, mejorando los indicadores de seguridad ciudadana. | |

Extract the National operation Development Plan

Annex 11.2 Access to justice

| <i>Ámbito</i> | <i>Objetivo</i> | <i>Ind icador</i> | <i>Meta</i> |
|--|---|--|---|
| Acceso a Justicia | Implementación completa del nuevo Código Procesal Penal a nivel nacional | <ul style="list-style-type: none"> • Número de unidades de acceso a la justicia instaladas y en operación: fiscalías defensorías públicas, unidades de auxilio judicial (policía) • Número anual de acusaciones presentadas por personas pertenecientes a los siguientes colectivos: mujeres, habitantes de municipios más pobres indicados en el mapa de pobreza. | Cobertura 100 Munic. (Defensores, Fiscales) y 45 unidades auxilio judicial |
| Sistema de Administración de Justicia | Profesionalización e independencia de las autoridades judiciales Estructura y distribución del gasto Estructura y distribución del gasto | Porcentaje de Fiscales y Defensores Públicos que ingresan por medio de concursos públicos | 100% de los nuevos ingresos |
| | Mejora de la eficiencia y eficacia del sistema de administración de justicia | Promedio de días que transcurren desde el inicio de la acción judicial hasta la sentencia firme Reducción en el porcentaje de declaraciones de falta de mérito para acusar, motivadas por debilidades en la sustentación técnica de las acusaciones penales | |
| Seguridad Ciudadana | fortalecimiento de las capacidades institucionales públicas de prevención, a nivel central y a nivel local | Incremento en el número de instancias locales de prevención de la violencia. | Ampliación cob. A 70 municipios |
| Finanzas Públicas | Aumento de la transparencia en el uso de los fondos mediante la realización de una evaluación independiente sobre la ejecución de las finanzas públicas | Reporte de auditoría sobre la ejecución del presupuesto general de la república | La CGR elaborará y presentará a la Asamblea Nacional un reporte de auditoría sobre la ejecución del presupuesto que incluya a la CSJ y al MP. |

Indicators agreed between the Nicaraguan Government and the European Commission.

Annex 11.3 Selected indicators of the education sector

| Metas Claves del Sistema Educativo Nicaragüense | | | | |
|--|--------------|--------------|--------------|-------------|
| Indicador | Meta 2015 | Meta 2008 | Meta 2005 | Actual 2004 |
| TNE Preescolar | 45 | 36.4 | 32.5 | 30.7 |
| TNE Primaria | 100 | 88.7 | 83.8 | 82.6 |
| TNE Secundaria | 60 | 46.9 | 41.4 | 40.1 |
| Tasa de Analfabetismo | 10 | 15.6 | 18.0 | 18.7 |
| Años Promedio de Escolaridad | 9 | 5.9 | 4.8 | 4.6 |
| Matrícula Educación de Adultos | 125,000 | 102,609 | 85,549 | 77,109 |
| Deserción Preescolar | 4 | 7.5 | 9.0 | 9.86 |
| Deserción Primaria | 4 | 5.4* | 6.0* | 6.07* |
| Deserción Secundaria | 4 | 7.2* | 10.0* | 10.9* |
| Repitencia Primaria | 2 | 7.6 | 10.0 | 10.6 |
| Repitencia Secundaria | 2 | 4.8 | 6.0 | 6.07 |
| Tasa de Terminación Primaria | 100 | 68.0* | 65.0* | 63.9* |
| Tasa de Terminación Secundaria | 75 | 41.0* | 35.3* | 33.6* |
| Implementación del sistema de evaluación y retroalimentación de resultados de pruebas censales de las asignaturas de español y matemáticas para el 3er y 6to grado | Implementado | Implementado | Implementado | Diseño |
| % de escuelas públicas incorporadas al régimen de Participación Educativa | 100 | 100 | 80 | 61 |
| Número de alcaldías que se encuentran gestionando sus sistemas educativos | 153 | 153 | 70 | 20 |
| Presupuesto del MECD como porcentaje del gasto total del Gobierno | 20 | 15 | 12 | 11 |

Política 1: Transformación Educativa: Relevancia y Calidad. Acciones y Metas de la Transformación Educativa.

| POLÍTICA | LÍNEA DE ACCIÓN | INDICADOR POR OBJETIVO | CRONOGRAMA DE EJECUCIÓN PROPUESTA | | | | |
|----------|--|--|-----------------------------------|-------------------------|-------------------|-------------------|----------------|
| | | | 2004 | 2005 | 2006 | 2007 | 2008 |
| 1 | TRANSFORMACIÓN EDUCATIVA: RELEVANCIA Y CALIDAD | Sistema educativo transformado | Diseño | Diseño | En implementación | En implementación | Implementado |
| 1.1 | Diseño de la nueva estructura curricular educativa | Diseño finalizado | Diseño | Finalizado | | | |
| 1.2 | Implementación de sistema de competencias por programas y modalidades | Sistema de competencias implementados | Diseño | Diseño | Implementación | Implementación | Implementación |
| 1.3 | Implementación de salidas tecnológicas y vocacionales | Programa de salidas tecnológicas y vocacionales implementado | Diseño | Diseño | Implementación | Implementación | Implementación |
| 1.4 | Reforzamiento de lecto escritura, operaciones básicas de matemáticas y competencias para la vida | Maestros aplicando metodología CETT | | 8400 | 9200 | 9500 | 9700 |
| 1.5 | Consolidación de modalidades educativas abiertas | Matriculados en modalidades educativas abiertas | 7500 | 11000 | 14000 | 20000 | 25000 |
| 1.6 | Expansión de programa de educación para la vida | Número de centros participantes en el programa | 200 | 400 | 600 | 800 | 1000 |
| 1.7 | Expansión de Centros de Aprendizaje y Progreso (CAP) | Número de centros certificados | 60 | 200 | 500 | 700 | 1000 |
| 1.8 | Fortalecimiento del programa intercultural bilingüe | Programa renovado | Diseño | Diseño | Implementación | Implementación | Implementación |
| 1.9 | Vincular los programas educativos al contorno socioeconómico (cluster productivos) | Programas educativos contextualizados | Adecuación de programas | Adecuación de programas | Implementación | Implementación | Implementación |
| 1.10 | Mejorar la calidad de vida de los docentes | Porcentaje de canasta básica cubierta con salario promedio de los docentes | 80% | 90% | 100% | 100% | 100% |
| 1.11 | Expansión de informática educativa | Número de centros o laboratorios de informática educativa | 65 | 100 | 200 | 300 | 400 |

Política 2: Ampliación de la Oferta y Estímulo a la Demanda, Acceso, Adaptabilidad y Equidad. Acciones y Metas de la Ampliación de la Oferta y Estímulo a la Demanda.

| POLÍTICA | LÍNEA DE ACCIÓN | INDICADOR POR OBJETIVO | CRONOGRAMA DE EJECUCIÓN PROPUESTA | | | | |
|----------|--|--|-----------------------------------|---------|----------------|----------------|----------------|
| | | | 2004 | 2005 | 2006 | 2007 | 2008 |
| 2 | AMPLIACIÓN / DIVERSIFICACIÓN DE LA OFERTA Y ESTÍMULO A LA DEMANDA, ACCESO Y EQUIDAD | Años de escolarización de la población entre 10 y 19 años | 5.2 | 5.5 | 6 | 6.3 | 6.7 |
| 2.1 | Incrementar cobertura de programa de alimentación escolar | Número de alumnos atendidos | 600,000 | 800,000 | 850,000 | 850,000 | 850,000 |
| 2.2 | Incrementar cobertura de preescolar | Matrícula Pública Preescolar | 180,000 | 192,000 | 203,000 | 215,000 | 228,000 |
| 2.3 | Incrementar cobertura de primaria | Matrícula Pública Primaria | 750,000 | 780,000 | 812,000 | 844,000 | 877,000 |
| 2.4 | Incrementar cobertura de secundaria | Matrícula Pública Secundaria | 276,000 | 290,000 | 301,000 | 316,000 | 332,000 |
| 2.5 | Atender anualmente a más de 100,000 jóvenes y adultos que no tuvieron la oportunidad de concluir la educación primaria | Matrícula de programa de educación de jóvenes y adultos | 77,019 | 85,449 | 98,000 | 100,000 | 102,609 |
| 2.6 | Implementación de sistema de subsidio a la demanda | Sistema implementado | | Diseño | Implementación | Implementación | Implementación |
| 2.7 | Ampliación de programa de escuela de padres | Número de centros escolares que implementan programa | 60 | 200 | 500 | 700 | 1,000 |
| 2.8 | Mejoramiento y Ampliación de la infraestructura Escolar | Número de aulas reemplazadas, construidas o reparadas en todos los niveles | 608 | 600 | 600 | 600 | 600 |
| 2.9 | Incrementar cobertura educación especial | Número de alumnos atendidos | 3276 | 3500 | 3500 | 3500 | 3500 |
| 2.10 | Implementación de nuevo sistema de capacitación a los docentes y transformación de las escuelas normales en institutos superiores de educación | Sistema implementado | Diseño | Diseño | Implementación | Implementación | Implementación |

Política 3: Mejoramiento de la Gobernabilidad: Participación, Resultados, Rendición de Cuentas y Eficiencia.
Acciones y Metas del Mejoramiento de la Gobernabilidad.

Annex 11.4 Selected indicators in economic and trade issues

| META NACIONAL OBJETIVO ESPECIFICO Acción Iniciativa | INDICADOR | BASE | CRONOGRAMA DE EJECUCION | | | | |
|---|---|---------|-------------------------|---------|---------|---------|---------|
| | | 2003 | 2005 | 2006 | 2007 | 2008 | 2009 |
| TOTAL SECTOR MICRO, PEQUEÑA Y MEDIANA EMPRESA (MIPYME) | | | | | | | |
| 1 LA MIPYME DE LAS RAMAS PRODUCTIVAS PRIORIZADAS AUMENTARÁ EN UN 24% EL VOLUMEN DE SU PRODUCCIÓN Y ACTIVIDAD ECONÓMICA. | Valor Bruto de la Producción (En miles de dólares) /1 | 209.981 | 217.331 | 226.024 | 236.195 | 248.005 | 260.405 |
| 2 LAS EXPORTACIONES DE PRODUCTOS MIPYMES SE INCREMENTARÁN EN UN 33% | Exportaciones Anuales (miles de dólares) /2 | 35,0 | 36,2 | 38,0 | 40,3 | 43,1 | 46,6 |
| 3 LA MIPYME AUMENTARÁ EN UN 30% LA GENERACION DE EMPLEO. | Generación de empleo /3 | 411.518 | 432.094 | 455.859 | 478.652 | 507.371 | 537.814 |
| 4 LA MIPYME CONTARÁ AL MENOS CON UN CRECIMIENTO EN NÚMERO DE 78 NUEVAS EMPRESAS CON POTENCIAL COMPETITIVO A CARGO JÓVENES Y MUJERES EMPRENDEDORES. | Nuevas Empresas de jóvenes y mujeres incubadas | | 3 | 10 | 15 | 20 | 30 |
| 5 LA MIPYME DE LOS SECTORES PRODUCTIVOS PRIORIZADOS HABRÁ REDUCIDO EN UN 20% SUS ÍNDICES DE CONTAMINACIÓN AMBIENTAL | Empresas adicionales que adoptan un PGA | 4 | 10 | 20 | 30 | 40 | 50 |
| / 1: Estimaciones MIFIC-PYME e INPYME s/Informe Anual 2002 Banco Central, solamente incluye las Ramas Muebles, Textiles, Vestuario, Cuero, Calzado, parcialmente Agroalimentos, no incluye pequeño comercio, artesanías / 2: Exportaciones Totales a Dic/2003 según estimaciones del MIFIC. Proyecciones 2004 al 2008 basadas en la tasa de crecimiento esperado por las acciones de promoción. / 3: Directorio Económico Urbano 1996, actualizado por MIFIC-INEC-GTZ a Febrero 1998, se estimó un crecimiento anual compuesto del 4% en el empleo igualando al crecimiento poblacional, lo que supone niveles de desempleo | | | | | | | |

| META NACIONAL OBJETIVO ESPECIFICO Acción Iniciativa | INDICADOR | BASE | CRONOGRAMA DE EJECUCION | | | | | |
|---|--|------|-------------------------|------|------|------|------|-------|
| | | 2003 | 2005 | 2006 | 2007 | 2008 | 2009 | Total |
| TOTAL CONGLOMERADO MANUFACTURA LIGERA | | | | | | | | |
| TOTAL SECTOR MANUFACTURA LIGERA | | | | | | | | |
| TOTAL INFRAESTRUCTURA PORTUARIA DE MANUFACTURA LIGERA | | | | | | | | |
| 1 IMPULSAR EL DESARROLLO DE LA MANUFACTURA LIGERA ELEVANDO LA INVERSIÓN EXTRANJERA Y NACIONAL EN U\$ 475 MILLONES Y GENERANDO 70 MIL NUEVOS EMPLEOS DIRECTOS AL 2008. | Inversión directa (extranjera y nacional): en millones de US\$ | 60 | 135 | 235 | 335 | 435 | 535 | |
| 2 AUMENTAR LA GENERACIÓN DE DIVISAS HASTA U\$ 315 MILLONES EN 2008. | Millones de U\$ en divisas | 134 | 170 | 214 | 245 | 280 | 315 | |
| 3 CONTAR CON UNA FUERZA LABORAL DE 4200 INDIVIDUOS ALTAMENTE CALIFICADOS A NIVELES TÉCNICO Y MANDOS MEDIOS PARA EL SECTOR Y CONTAR CON 60 EMPRESAS CERTIFICADAS EN TEMAS DE RESPONSABILIDAD SOCIAL EMPRESARIAL. | | | | | | | | |
| 4 DESARROLLAR INFRAESTRUCTURA PRODUCTIVA DE APOYO AL SECTOR. | | | | | | | | |