

Introduction

Nicaragua is a country located in Central America bordering Costa Rica and Honduras. The geography of Nicaragua is coastal plains rising to central interior mountains. The government system is a presidential republic; the chief of state and the head of government is the president. Nicaragua has a mixed economic system which includes a variety of private freedom, combined with centralized economic planning and government regulation.



Location: Central America

Capital City: Managua (-6 GMT)

Chief of State: President José Daniel Ortega Saavedra

Head of Govt.: President José Daniel Ortega Saavedra

Currency: Gold cordoba (NIO)

Major Languages: <p>Spanish (official) 95.3%, Miskito 2.2%, Mestizo of the Caribbean coast 2%, other 0.5%; note - English and indigenous languages found on the Caribbean coast (2005 est.)</p>

Primary Religions: <p>Roman Catholic 50%, Evangelical 33.2%, other 2.9%, none 0.7%, unspecified 13.2% (2017 est.)</p>

Calling Code: 505

Voltage: 120

Key Websites

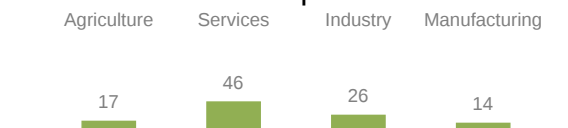
Main Government Page: presidencia.gob.ni

Commerce Ministry: mific.gob.ni

Key Economic Facts

Income Level (by per capita GNI):	Lower Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$47.77 billion (2022)
GDP growth (annual %):	3.75% (2022)
GDP per capita, PPP (current international \$):	\$6,874.81 (2022)
External debt stocks, total (DOD, current US\$):	\$14,354,195,632.90 (2021)
Manufacturing, value added (% of GDP):	13.88% (2022)
Current account balance (BoP, current US\$):	-\$0.22 billion (2022)
Inflation, consumer prices (annual %):	10.47% (2022)
Labor force, total:	3,225,204 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	5.57% (2022)
Imports of goods and services (current US\$):	\$10.25 billion (2022)
Exports of goods and services (current US\$):	\$7.80 billion (2022)

GDP Composition %



*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.

Rankings

Index	Rank
Corruption Perceptions Index	161 / 178
Global Competitiveness Index	109 / 141
Global Enabling Trade Index	76 / 136
Index of Economic Freedom	120 / 176
Inward FDI Potential Index	113 / 139
KOF Index of Globalization	104 / 185
Networked Readiness Index (NRI)	131 / 139
Open Budget Index	66 / 114

Risk Assessment (Provided by Coface)

Country rating: D - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

Business Climate rating: A1 - The business environment is very good. Corporate financial information is available and reliable. Debt collection is efficient. Institutional quality is very good. Intercompany transactions run smoothly in environments rated A1.

Strengths

- Large inflow of expatriate remittances (28% of GDP in 2023)
- Fiscal discipline
- Mineral (gold), agricultural (coffee, sugar, meat) and fishery (shellfish) resources, clothing production
- Member of the Dominican Republic-Central America/United States Free Trade Area (DR-CAFTA) and the Central America/European Union and ALBA (La Alianza Bolivariana para los Pueblos de Nuestra América) trade agreements
- Member of China's Belt Road Initiative since February 2022 and bilateral free trade agreement since January 2024

Weaknesses

- Concentration of power in the presidency and the Sandinista party, repression of the opposition, corruption, lack of respect for the rule of law
- Departure from the Organization of American States in 2023
- European and American sanctions against Nicaraguan sugar exports and high-ranking officials
- Vulnerability to natural disasters
- Inadequate health care and education, and persistent poverty that encourages emigration
- Inadequate infrastructure (energy, transport)
- Maritime border dispute with Colombia

U.S. Embassy

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