

## 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](http://presidencia.gob.ni)

Commerce Ministry: [mific.gob.ni](http://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 %

Agriculture Services Industry Manufacturing



*\*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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<https://ni.usembassy.gov>