



# EU BLUE BOOK 2007



EUROPEAN UNION



NICARAGUA

EUROPEAN UNION DEVELOPMENT COOPERATION ACTIVITIES IN NICARAGUA

APRIL 2008

Austria - Belgium - Bulgaria - Cyprus - Czech Republic - Denmark - Estonia - Finland - France - Germany - Greece - Hungary - Ireland - Italy - Latvia - Lithuania - Luxembourg - Malta - Poland - Portugal - Romania - Slovakia - Slovenia - The Netherlands - Spain - Sweden - United Kingdom - European Commission



# Foreword

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This is the very first Blue Book on the European Union's Official Development Assistance (ODA) to Nicaragua. It represents the culmination on one year's work and the combined efforts of the European Commission and eleven Member States. The Blue Book provides a wealth of information on the value and composition of EU development cooperation in Nicaragua. This is significant given that the EU is the main net ODA provider to the country. Outlines of the poverty reduction strategies and priorities for Nicaragua of the EC and each MS can be found in the EU Donor Profile section.

Aid effectiveness is a growing priority for both donors and beneficiaries in the fight against poverty; indeed this Blue Book forms part of a broader EU package aimed at enhancing donor coordination, improving complementarity and ultimately achieving the Millennium Development Goals.

Following on from the Paris Declaration on Aid Effectiveness, the European Consensus on Development was approved and adopted in December 2005. The Consensus provided momentum for increased coordination among EU donors through the establishment of a set of common values, principles and objectives for development policy. The subsequent approval of the EU Code of Conduct for Development Policy in May of this year is a major step towards practical measures to implement greater complementarity and division of labour at the field level.

Nicaragua is an OECD/DAC pilot country for making progress on the Paris Declaration Harmonisation and Alignment (H&A) agenda. It is also one of only a handful of countries to have developed its own H&A National Action Plan. The first round of monitoring implementation of the Paris Declaration in 2006 highlighted lots of challenges for the Government of Nicaragua and donors. The EU is strongly committed to supporting in-country efforts to advance the aid effectiveness agenda.

Many individuals have worked hard to turn the Blue Book from a concept into a reality. We want to thank all those colleagues from the EC and MS who made valuable contributions. We also want to thank EU donors in Vietnam who first pioneered the Blue Book initiative and inspired us to follow their example. Finally, we are grateful to ODAdat and Xolo Systems for their technical input.

Please note that only EU Member States physically present in Nicaragua are participating. Further, only ODA under responsibility of the Agency/Embassy of the EU Member State participating is counted here. Full ODA disbursements for 2007 can be higher.

Further copies of this document can be downloaded together with more disaggregated data on EU ODA to Nicaragua by visiting [www.odadata.eu/odanic](http://www.odadata.eu/odanic).

Enjoy the read!



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DFID Representative for Central America



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Head of EC Delegation to Central America and Panama

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# **I. The European Union at a glance**

EU Blue Book 2007

# 50 Years Building Europe

2007 marks the 50th anniversary of the signing of Treaties of Rome, the founding charter of what has become the European Union. For 50 years, the EU members have enjoyed unprecedented peace, prosperity and stability, and carried their integration to hitherto unseen levels.



On 25th March 1957, two treaties were signed in Rome that gave birth to the European Economic Community (EEC) and to the European Atomic Energy Community (Euratom): the Treaties of Rome. The Treaty establishing the EEC affirmed in its preamble that signatory States were “determined to lay the foundations of an ever closer union among the peoples of Europe”. It came into force on 1 January 1958.

The new supranational organisation started out as a customs union. As a consequence, the EEC was colloquially known as the “Common Market”. Member countries agreed to dismantle all tariff barriers over a 12-year transitional period and to establish common tariffs for all products coming from third countries.

The “Common Market” gradually developed into a Single Market, providing for the free circulation of not only goods, but also services, people and money across national boundaries. The euro has become the common currency for many Europeans. Europeans are more and more acting together also in areas going beyond the economic realm, in external relations, defence and security, justice, environmental protection and many other fields.

The Treaties of Rome and the 50 years that followed thus signified the triumph of a very realistic and gradualist approach to building the EU. A process was put in motion in which progressive economic integration was paving the way to a long-term objective: that of a comprehensive union of the countries and peoples of Europe.



The signing of the Treaties of Rome on 25th March 1957



On 9 May 1950, French Foreign Minister Robert Schuman first publicly put forward the ideas that led to the European Union. Every 9 May is celebrated as 'Europe Day'

## Twelve Historic Steps of the European integration

- |      |   |
|------|---|
| 1951 | The European Coal and Steel Community is established by the six founding members (Belgium, France, Germany, Italy, Luxembourg, Netherlands)   |
| 1957 | The Treaty of Rome establishes the European Economic Community (EEC) or common market and the European Atomic Energy Community  |
| 1973 | The Community expands to nine Member States with the accession of Denmark, Ireland and the United Kingdom   |
| 1979 | The first direct elections to the European Parliament   |
| 1981 | The first Mediterranean enlargement with the accession of Greece  |
| 1986 | Spain and Portugal enter the EU, bringing membership to 12  |
| 1993 | The single market and its four freedoms are established: the free movement of goods, services, people and money   |
| 1993 | The Treaty of Maastricht establishes the European Union. It is a major EU milestone, setting rules for the future single currency, for foreign and security policy and closer cooperation in justice and home affairs |
| 1995 | The EU expands to 15 members with the accession of Austria, Finland and Sweden  |
| 2002 | Euro notes and coins are introduced in 12 Member States   |
| 2004 | Ten more countries join the Union: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia   |
| 2007 | Bulgaria and Romania join the European Union, bringing the number of member states to 27 countries. Croatia, the Former Yugoslav Republic of Macedonia and Turkey are also candidates for future membership           |



# Member States of the European Union

**Austria**

**Political system:** Federal republic  
**Capital city:** Vienna  
**Total area:** 83 858 km<sup>2</sup>  
**Population:** 8.3 million  
**Currency:** euro  
**Language:** German

**Belgium**

**Political system:** Constitutional monarchy  
**Capital city:** Brussels  
**Total area:** 30 158 km<sup>2</sup>  
**Population:** 10.5 million  
**Currency:** euro  
**Language:** French, Dutch, German

**Bulgaria**

**Political system:** Republic  
**Capital city:** Sofia  
**Total area:** 111 000 km<sup>2</sup>  
**Population:** 7.7 million  
**Currency:** Lev  
**Language:** Bulgarian

**Cyprus**

**Political system:** Republic  
**Capital city:** Nicosia  
**Total area:** 9 000 km<sup>2</sup>  
**Population:** 0.8 million  
**Currency:** euro  
**Language:** Greek, English

**Czech Republic**

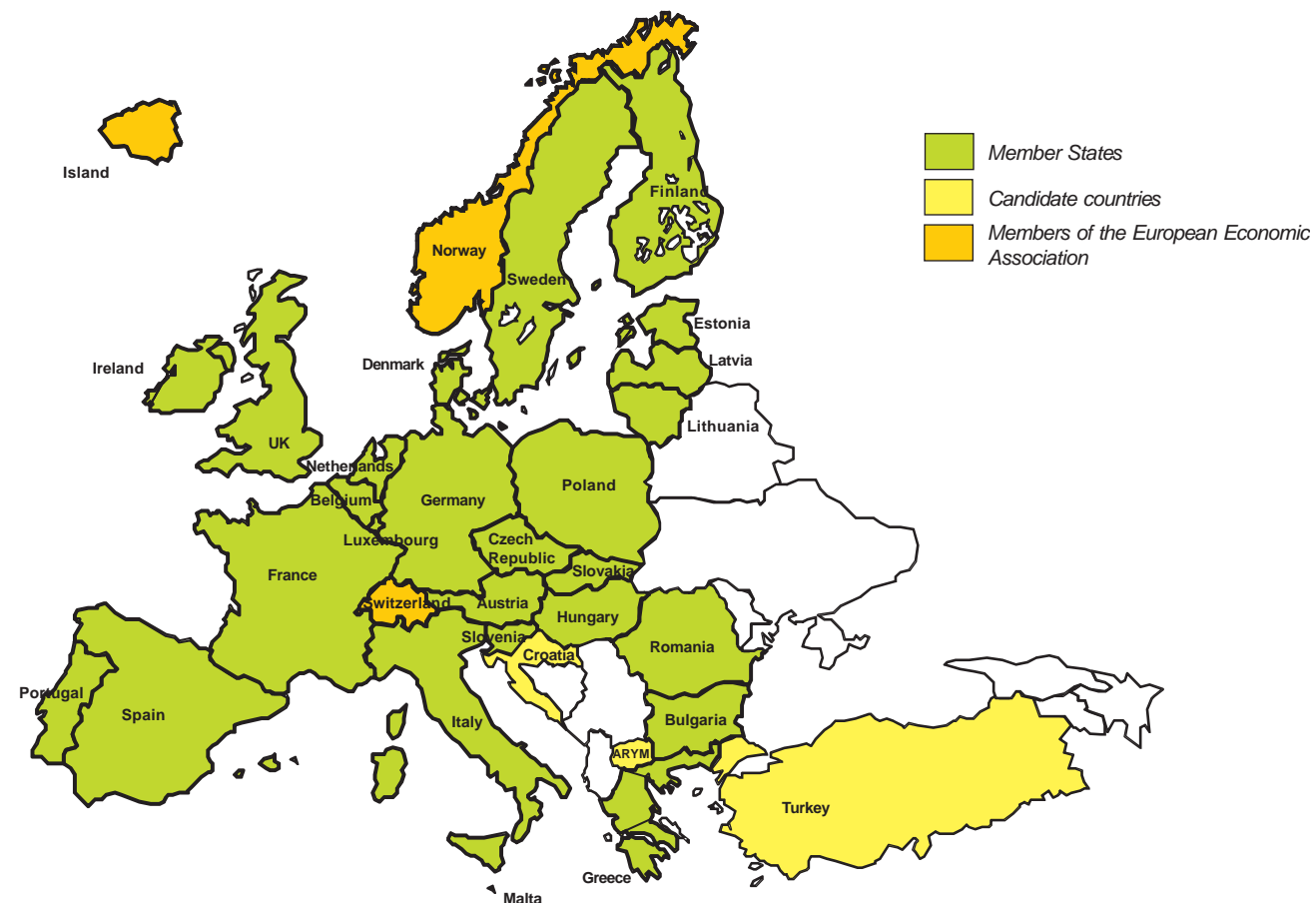
**Political system:** Republic  
**Capital city:** Prague  
**Total area:** 79 000 km<sup>2</sup>  
**Population:** 10.3 million  
**Currency:** Czech koruna  
**Language:** Czech

**Denmark**

**Political system:** Constitutional monarchy  
**Capital city:** Copenhagen  
**Total area:** 43 094 km<sup>2</sup>  
**Population:** 5.4 million  
**Currency:** Danish krone  
**Language:** Danish

**Estonia**

**Political system:** Republic  
**Capital city:** Tallinn  
**Total area:** 45 000 km<sup>2</sup>  
**Population:** 1.3 million  
**Currency:** Estonian kroon  
**Language:** Estonian





**Finland**

**Political system:** Republic  
**Capital city:** Helsinki  
**Total area:** 338 000 km<sup>2</sup>  
**Population:** 5.3 million  
**Currency:** euro  
**Language:** Finnish, Swedish



**France**

**Political system:** Republic  
**Capital city:** Paris  
**Total area:** 550 000 km<sup>2</sup>  
**Population:** 63.8 million  
**Currency:** euro  
**Language:** French




**Germany**

**Political system:** Federal republic  
**Capital city:** Berlin  
**Total area:** 356 854 km<sup>2</sup>  
**Population:** 82.5 million  
**Currency:** euro  
**Language:** German



**Greece**

**Political system:** Republic  
**Capital city:** Athens  
**Total area:** 131 957 km<sup>2</sup>  
**Population:** 11.1 million  
**Currency:** euro  
**Language:** Greek



**Hungary**

**Political system:** Republic  
**Capital city:** Budapest  
**Total area:** 93 000 km<sup>2</sup>  
**Population:** 10.2 million  
**Currency:** Forint  
**Language:** Hungarian



**Ireland**

**Political system:** Republic  
**Capital city:** Dublin  
**Total area:** 70 000 km<sup>2</sup>  
**Population:** 4.2 million  
**Currency:** euro  
**Language:** English




**Italy**

**Political system:** Republic  
**Capital city:** Rome  
**Total area:** 301 263 km<sup>2</sup>  
**Population:** 58.8 million  
**Currency:** euro  
**Language:** Italian




**Latvia**

**Political system:** Republic  
**Capital city:** Riga  
**Total area:** 65 000 km<sup>2</sup>  
**Population:** 2.3 million  
**Currency:** Lats  
**Language:** Latvian




**Lithuania**

**Political system:** Republic  
**Capital city:** Vilnius  
**Total area:** 65 000 km<sup>2</sup>  
**Population:** 3.4 million  
**Currency:** Litas  
**Language:** Lithuanian



**Luxembourg**

**Political system:** Constitutional monarchy  
**Capital city:** Luxembourg  
**Total area:** 2 586 km<sup>2</sup>  
**Population:** 0.5 million  
**Currency:** euro  
**Language:** French, German, Luxembourgish



**Malta**

**Political system:** Republic  
**Capital city:** Valletta  
**Total area:** 316 km<sup>2</sup>  
**Population:** 0.4 million  
**Currency:** euro  
**Language:** Maltese, English




**Netherlands**

**Political system:** Constitutional monarchy  
**Capital city:** Amsterdam  
**Total area:** 41 864 km<sup>2</sup>  
**Population:** 16.3 million  
**Currency:** euro  
**Language:** Dutch




**Poland**

**Political system:** Republic  
**Capital city:** Warsaw  
**Total area:** 313 000 km<sup>2</sup>  
**Population:** 38.1 million  
**Currency:** Zloty  
**Language:** Polish



**Portugal**

**Political system:** Republic  
**Capital city:** Lisbon  
**Total area:** 92 072 km<sup>2</sup>  
**Population:** 10.6 million  
**Currency:** euro  
**Language:** Portuguese



**Romania**

**Political system:** Republic  
**Capital city:** Bucharest  
**Total area:** 238 000 km<sup>2</sup>  
**Population:** 21.6 million  
**Currency:** Leu  
**Language:** Romanian




**Slovakia**

**Political system:** Republic  
**Capital city:** Bratislava  
**Total area:** 49 000 km<sup>2</sup>  
**Population:** 5.4 million  
**Currency:** Slovak koruna  
**Language:** Slovak




**Slovenia**

**Political system:** Republic  
**Capital city:** Ljubljana  
**Total area:** 20 000 km<sup>2</sup>  
**Population:** 2 million  
**Currency:** euro  
**Language:** Slovenian




**Spain**

**Political system:** Constitutional monarchy  
**Capital city:** Madrid  
**Total area:** 504 782 km<sup>2</sup>  
**Population:** 43.8 million  
**Currency:** euro  
**Language:** Spanish



**Sweden**

**Political system:** Constitutional monarchy  
**Capital city:** Stockholm  
**Total area:** 450 000 km<sup>2</sup>  
**Population:** 8.9 million  
**Currency:** Swedish krona  
**Language:** Swedish



**United Kingdom**

**Political system:** Constitutional monarchy  
**Capital city:** London  
**Total area:** 242 500 km<sup>2</sup>  
**Population:** 60.4 million  
**Currency:** Pound sterling  
**Language:** English



# Institutions of the European Union

The European Union is more than just a confederation of countries, but it is not a federal state. Its political system is historically unique and has been constantly evolving over more than 50 years. The European Union's policies and legislation are the result of decisions taken by the EU institutions described below.

## Council of the European Union

The Council of the EU represents the Member States. It is the EU's main legislative and decision-making body. Its role is to provide the EU with political impetus on key issues. The EU Member States take it in turns to hold the Council Presidency for a six-month period.  
[www.consilium.europa.eu](http://www.consilium.europa.eu)

## European Commission (EC)

The EC represents the common interest of the EU. It is its main executive body and has the right to propose legislation and ensures that the EU policies are properly implemented. The members of the EC are appointed for a five-year term by agreement between the Member States, subject to approval by the European Parliament. The EC is based in Brussels.  
<http://ec.europa.eu>

## European Parliament (EP)

The EP is the elected body that represents the European citizens. It shares legislative and budgetary powers with the Council of the European Union. Since 1979, the members of the EP are directly elected, by universal suffrage, every five years. It normally holds its plenary sessions in Strasbourg.

<http://www.europarl.europa.eu>

## European Court of Justice (CoJ)

The role of the CoJ is to ensure that EU law is complied with and that the Treaties are correctly interpreted and applied. It is located in Luxembourg and is made up of one judge from each EU country, assisted by eight advocates-general.  
<http://curia.europa.eu>

## Court of Auditors (CoA)

The CoA ensures that the EU's expenditure has been incurred in a lawful and regular manner and that the EU budget has been managed soundly. It is located in Luxembourg and is composed of one member from each EU country, appointed for a term of six years.  
<http://eca.europa.eu>

## European Economic and Social Committee (EESC)

The EESC is an advisory body that represents the various economic and social interest groups that constitute the "organised civil society". Its members are appointed by the Council for a four-year term.  
<http://eesc.europa.eu>

## Committee of the Regions (CoR)

The CoR is an advisory body that represents regional and local governments and needs to be consulted by the Council and the Commission on all matters of relevance to the regions. Its members are appointed by the Council for a four-year term.  
<http://www.cor.europa.eu>

## European Central Bank (ECB)

The ECB, based in Frankfurt, is responsible for managing the euro and the EU's monetary policy, which is managed in close co-operation with the national central banks of the EU MS.  
<http://www.ecb.eu>

## European Investment Bank (EIB)

The EIB, based in Luxembourg, provides loans and guarantees to help the EU's less developed regions and to make businesses more competitive.  
<http://www.eib.org>

■ EU institutions    ■ Other financial and consultative bodies of the EU

# The European Consensus on Development / Development Policy

**The EU is the world's foremost donor of development aid, accounting for 55% of the total. However, the effectiveness of European aid can and must be increased through renewed efforts to improve coordination and harmonisation. This Consensus presents a shared vision to guide the European Union's activities in the field of development cooperation, both at Member State and Community level.**

The European Consensus on Development is a policy statement jointly adopted by the Council and the representatives of the governments of the Member States meeting within the Council, the European Commission and the European Parliament on 20 December 2005. For the first time in fifty years of cooperation, the Brussels consensus defines the framework of common principles within which the EU and its twenty seven Member States will each implement their development policies in a spirit of complementarity.

## The European Union's vision of development

The declaration sets out the objectives and principles on the basis of which the Member States and the Community commit themselves to a shared vision. As the chief objective is to reduce poverty worldwide in the context of sustainable development, the EU is seeking to meet the Millennium Development Goals by 2015 :

- to eliminate extreme poverty and hunger;
- to achieve universal primary education;
- to promote gender equality and empower women;
- to reduce child mortality;
- to improve maternal health;
- to combat HIV/AIDS, malaria and other diseases;
- to ensure environmental sustainability; and
- to set up a global partnership for development.

It also takes the view that the fundamental objective of poverty reduction is closely associated with the complementary objectives of promotion of good governance and respect for human rights, these being shared values underpinning the Union. The fight against poverty also implies achieving a balance between activities aimed at human development, at the protection of natural resources, and at economic growth and wealth creation to benefit poor people.

The common principles of development cooperation activities are ownership and partnership, in-depth political dialogue, participation of civil society, gender equality and an ongoing commitment to preventing state fragility. Developing countries bear the primary responsibility for their own development, but the EU accepts its share of responsibility and accountability for the joint efforts undertaken in partnership.

The EU has committed itself to increasing the aid budget to 0.7% of gross national product (GNP) by 2015, the shared interim goal being 0.56% by 2010; half of the increase in aid will be earmarked for Africa. It will continue to prioritise support for the least developed countries, low-income countries and medium-income countries. Resource allocation will be guided by objective and transparent criteria based on needs and performance. The principle of concentration will guide the Community in all its country and regional programming. This means selecting a limited number of priority areas for action rather than spreading its efforts over too many sectors.

The EU will promote better coordination and complementarity between donors by working towards joint multi-annual programming based on partner country strategies and processes, common implementation mechanisms, joint missions involving more than one donor, and the use of co-financing arrangements. It will also foster consistency in development policy in a wide variety of areas, especially trade, security and migration, in order to meet the Millennium Development Goals.

## The European Community development policy

Community policy in this field must complement the policies of the Member States. Its added value comes from its presence worldwide, its expertise in dispensing aid, its role in promoting consistency between policies and best practice and in facilitating coordination and harmonisation, its support for democracy, human rights, good governance and respect for international law, and its role in promoting participation in civil society and North-South solidarity.

The Community will use the most efficient instruments available: it will favour a differentiated approach based on needs, priorities and the strengths of the countries concerned. Development cooperation is a major component of a broader set of external measures which must be consistent and complementary. The programming documents - country, regional and thematic strategy papers - reflect this range of policies and ensure consistency between them.

To meet the needs stated by partner countries, the Community will concentrate its activities in the following areas: trade and regional integration; the environment and the sustainable management of natural resources; infrastructure, communications and trans-

# The EU Code of Conduct

port; water and energy; rural development, territorial planning, agriculture and food security; governance, democracy, human rights and support for economic and institutional reforms; prevention of conflicts and of state fragility; human development; and social cohesion and employment.

The Community will strengthen mainstreaming in relation to certain issues involving general principles applicable to any initiative and which call for efforts in several sectors: democracy; good governance; human rights; the rights of children and indigenous peoples; gender equality; environmental sustainability; and the fight against HIV/AIDS.

The type of aid provided will be tailored to the needs and context of each individual country. Where conditions allow, budget aid will be the preferred type. The Community will use an approach based on results and performance indicators. Most Community aid will continue to be provided in the form of grants, an approach which is particularly suitable for the poorest countries and for those with a limited ability to repay.

## The EU Code of Conduct on Complementarity and Division of Labour in Development Policy

The EU Code of Conduct presents operational principles for EU donors regarding complementarity in development cooperation. Their aim is to enhance effectiveness by improving overall development results and impact for poverty reduction and reducing the transaction costs, through a division of labour between donors

### General principles

- to improve in-country complementarity and cross-country complementarity,
- to propose an inclusive approach that is open to all donors,
- the Code is voluntary, flexible and self-policing,
- the Code is a dynamic document that establishes principles and targets towards which EU donors will strive to work progressively and accordingly,
- commitment of the Member States and the EC to increase their participation in joint multi-annual programming based on partner countries' development strategies and to use the EU joint programming framework gradually and voluntary as a pragmatic tool to advance division of labour,

- the partner country should be responsible for coordinating donors. The primary leadership and ownership in in-country division of labour should first and foremost lie in the partner country government,
- no implementation of division of labour at the expense of global aid volumes or predictability of aid flows,
- political commitment and adequate support and impetus need to be made both in headquarters and in the field,
- to avoid situations where all EU donors are absent from a strategic sector for poverty reduction.

### Guiding principles

Guiding Principle 1 – Concentrate on a maximum of three sectors in-country

Guiding Principle 2 – Redeployment for other in-country activities

Guiding Principle 3 – Lead donor arrangement

Guiding Principle 4 – Delegated cooperation/partnership (additional to the maximum of three sectors)

Guiding Principle 5 – Ensure an adequate donor support

Guiding Principle 6 – Replicate practices at regional level

Guiding Principle 7 – Establish priority countries

Guiding Principle 8 – Address the “orphans” gap

Guiding Principle 9 – Analyse and expand areas of strength

Guiding Principle 10 – Pursue progress on other dimensions of complementarity

Guiding Principle 11 – Deepen the reforms

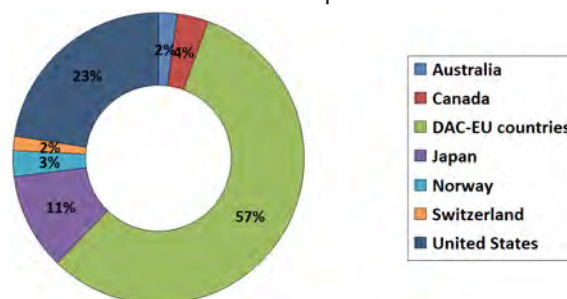
Definition of a sector of concentration : the appreciation of what constitutes a sector, being intuitive or informed, should be done in a flexible manner, at partner country level and match the definition of the partner country, that should have identified the sector as a priority in its poverty reduction strategy or equivalent.

In limited cases, where donors face a significant reduction in sector coverage, this target may be increased to engage in more than three sectors, taking full account of partner country views, neglected issues of particular importance and a realistic timeframe to support any change in their country programmes.

# European Union Aid to Developing Countries

## Net ODA Disbursements (bilateral and multilateral)

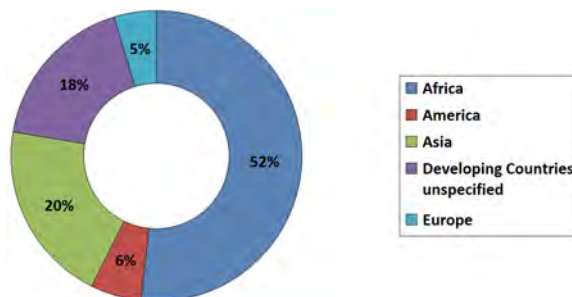
In % compared to non-EU Members of DAC, 2006



**Total = 104,421 m US\$**

## Regional Allocation of Aid

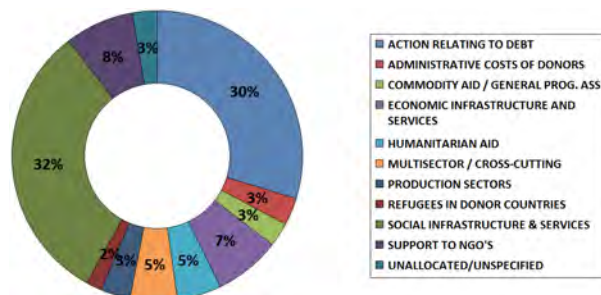
As % of EU bilateral Net ODA Disbursements, 2006



**Total = 40,504 m US\$**

## Allocation of EU Aid by Sector

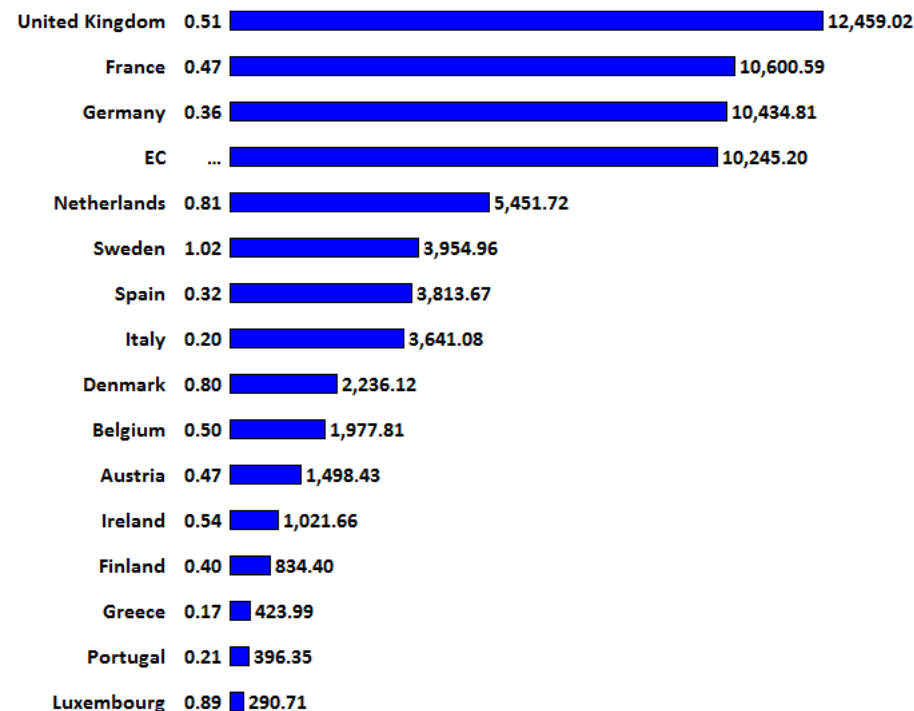
As % of EU Net ODA Disbursements, 2006



**Total = 59,035 m US\$**

## EU Net ODA Disbursements 2006 by country (bilateral and multilateral)

In million US\$ and as a % of GNI, 2006 - DAC EU MS only





## **II. EU Cooperation in Nicaragua - Policy**

EU Blue Book 2007

# EU Coordination, Harmonisation and Alignment Process in Nicaragua

Harmonisation and Alignment (H&A) is high on the agenda in Nicaragua as EU Donors increasingly focus on issues related to aid coordination and the fulfilment of global commitments enshrined in the Millennium Development Goals, the Paris Declaration and the European Consensus on Development which all highlight the need for greater aid effectiveness in order to eradicate extreme poverty in developing countries and improve the overall impact of Official Development Assistance (ODA).

In Nicaragua, aid coordination is a highly complex and formidable task given the large number of donors (reportedly over 40) and the high volume of ODA per annum (approx 563 Million USD in 2007) not to mention the second lowest development indicators in the region and a changing political and economic landscape which present considerable challenges for the success potential of any H&A initiative. Nicaragua continues to be a priority country for most EU donors and is highly dependent upon on development cooperation which represents roughly 11% of GDP and 75% of its Public Investment Plan (PIP).

Together with the European Commission there are currently 11 EU Member States operating in Nicaragua; this combined force is the main net ODA contributor to Nicaragua and therefore any EU-led coordination initiative has the potential to impact substantially on the local aid environment. EU donors are working closely among themselves, with non-EU donors and with the Government of Nicaragua in order to define strategic priorities for H&A and specific, tangible and measurable actions which will lead to short, medium and long term improvements.

## Progress in the period 2002-2007

In the period 2002-2007 Nicaragua has been highly active as an OECD/DAC and EU pilot country for H&A initiatives and has succeeded in implementing several measures including the following:

- **H&A Roadmap : Nicaraguan National Action Plan for H&A 2005-2007**

The Nicaragua National Action Plan for H&A, adopted in November 2005 identifies objectives, specific actions, expected results, related indicators of achievement and deadlines for completion on a short, medium and long term level in relation to ownership, harmonisation and alignment, results-based management and mutual accountability.

The plan fully incorporates the 12 Paris Indicators and represents an important in-country process. A multi-stakeholder H&A monitoring group including EU members has been established in order to promote implementation of the Plan and to provide regular feedback on advances to date.

- **Enhanced Coordination: Sector roundtables in priority areas**

The Nicaraguan Presidential Agreement of February 71-2003 called for the establishment of sector roundtables in order to enhance the coordination of external aid. These roundtables aim to improve communication and information exchange between Government and donors in the priority areas of Education, Governance, Health, Infrastructure, Production, and Social Protection. EU Donors are present in all these fora and are actively contributing towards the development of Sector Wide Approaches (SWAs) where appropriate; such SWAs contain multi-annual action plans and expenditure forecasts allowing government and donors to better plan activities and financial disbursements with a medium to long-term perspective. Several roundtables have succeeded in signing Codes of Conduct and Memoranda of Understanding in order to improve coordination and better support approved sector strategies and common funding arrangements.

- **Improved Dialogue Mechanisms: Global Donor/Government roundtable and Donor Quintet**

High-level Global Donor/Government meetings are held each semester in order to discuss and exchange views on national priorities. The Government presents its perspective on progress to date and future orientations and similarly the donor community expresses its opinions and raises concerns on priority issues. In order to coordinate better the opinions of donors, in February 2006 the international donor community decided to elect a high-level Steering Group, the Quintet which facilitates discussions on national priorities and prepares common donors positions. This group meets quarterly with the Government's Inter-Institutional Commission, and currently comprises the European Commission and Finland together with non-EU donors, Japan, Canada and IADB/WB.

- **Budget Support; joint arrangements**

In 2005, the Government of Nicaragua and a consortium of nine donors including six EU



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donors (the European Commission, Germany, Finland, Sweden, the Netherlands and the United Kingdom) signed a Joint Financing Arrangement (JFA) in order to contribute with budget support towards the fulfilment of the Nicaraguan Poverty Reduction Strategy 2005-2009. Through the JFA, both the Government and the Donors have committed themselves to common procedures for policy dialogue, commitments and disbursements, auditing and reporting, monitoring and evaluation, and information exchange. The increased use of budget support is expected to improve co-ordination and harmonisation among donors involved, to encourage greater alignment, lower transaction costs, greater predictability of funding and higher efficiency in the allocation of public expenditure.

#### **H&A Challenges for 2008**

With the installation of the New Government for Reconciliation and National Unity in January 2007, there has been the obvious need to jointly review H&A activities in order to ensure that they adequately reflect the national priorities in the new Human National Development Plan for Nicaragua. Challenges for 2008 include:

- **Consolidating progress; reinforced dialogue and sound country ownership**

EU donors, the government and relevant development partners have a duty to build on the progress made in the period 2002-2007. There is a need to reinforce and verify the suitability of existing dialogue mechanisms and to encourage frank and transparent dialogue at both technical and political levels. The incumbent Government has shown strong leadership and this needs to be accompanied by a coordinated response from donors.

- **Establishment of a new Nicaragua National Action Plan for Harmonisation, Alignment and Ownership 2008-2010**

Both donors and government have underlined the need to establish a new Action plan for the period 2008-2010 which will place emphasis on the 3 main axes of harmonisation, alignment and country ownership. The previous plan 2005-2007 has been assessed and a Government/Donor workshop was organised in February 2008 to reflect on the achievements and to identify where progress was needed and where impediments to greater H&A still remain.

- **EU Code of Conduct; greater complementarity and division of labour.**

EU donors are rising to the challenge of implementing the EU Code of Conduct (CoC) adopted in May 07. As a preparatory step, an analysis of where each EU donor stands in relation to each of the Code's Guiding Principles was undertaken in the period November 07 – February 08. Preliminary results indicate that already much progress has been made but that more innovative efforts are needed. Some EU donors are present in more than 3 priority areas, EU donors do not always have a clear and common vision of how to proceed in relation to the division of labour, many have unsynchronised programming, budgeting and disbursement cycles. A CoC Action Plan will be drawn up for the period 2008-2009 and the EU's fulfilment of the Code will be carefully monitored.

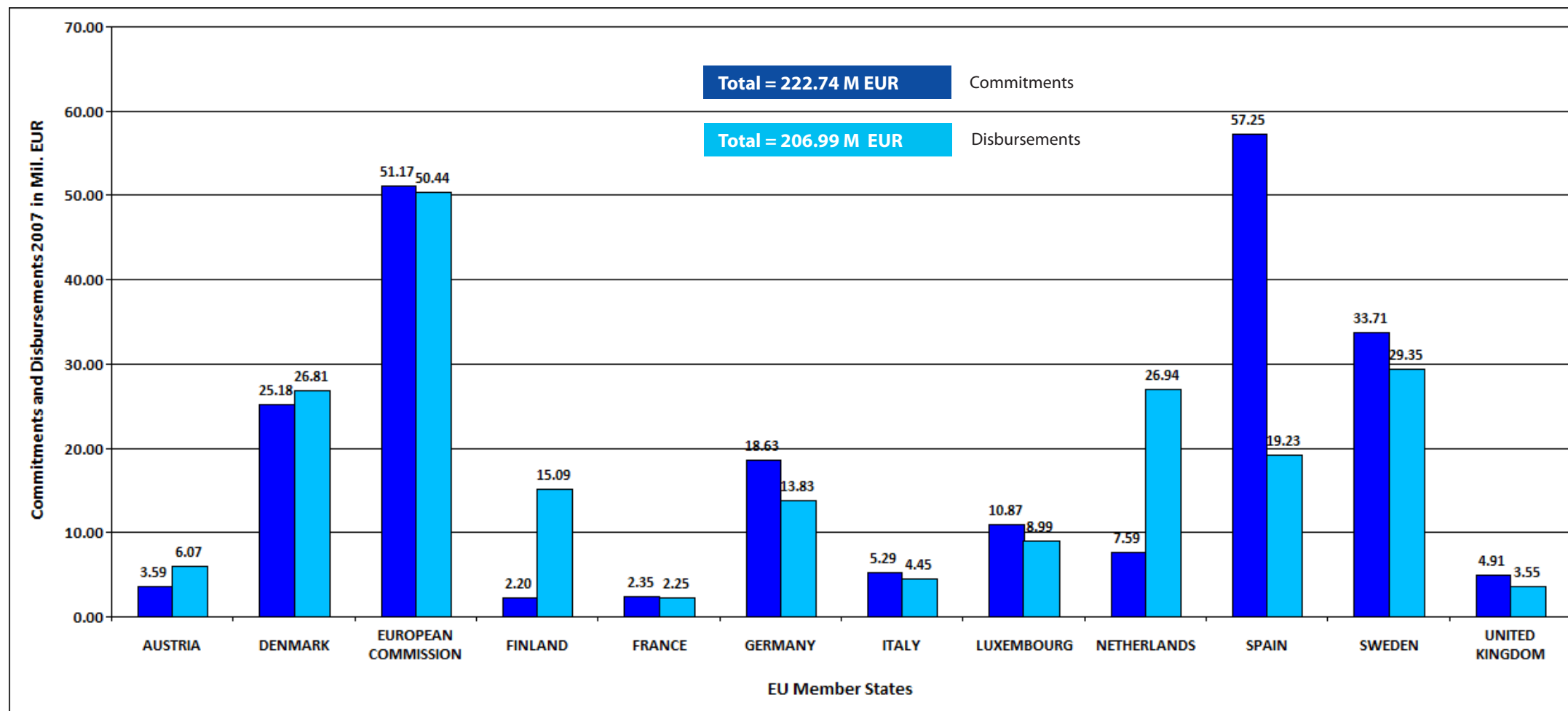


## II. EU Cooperation in Nicaragua - Facts & Figures

EU Blue Book 2007

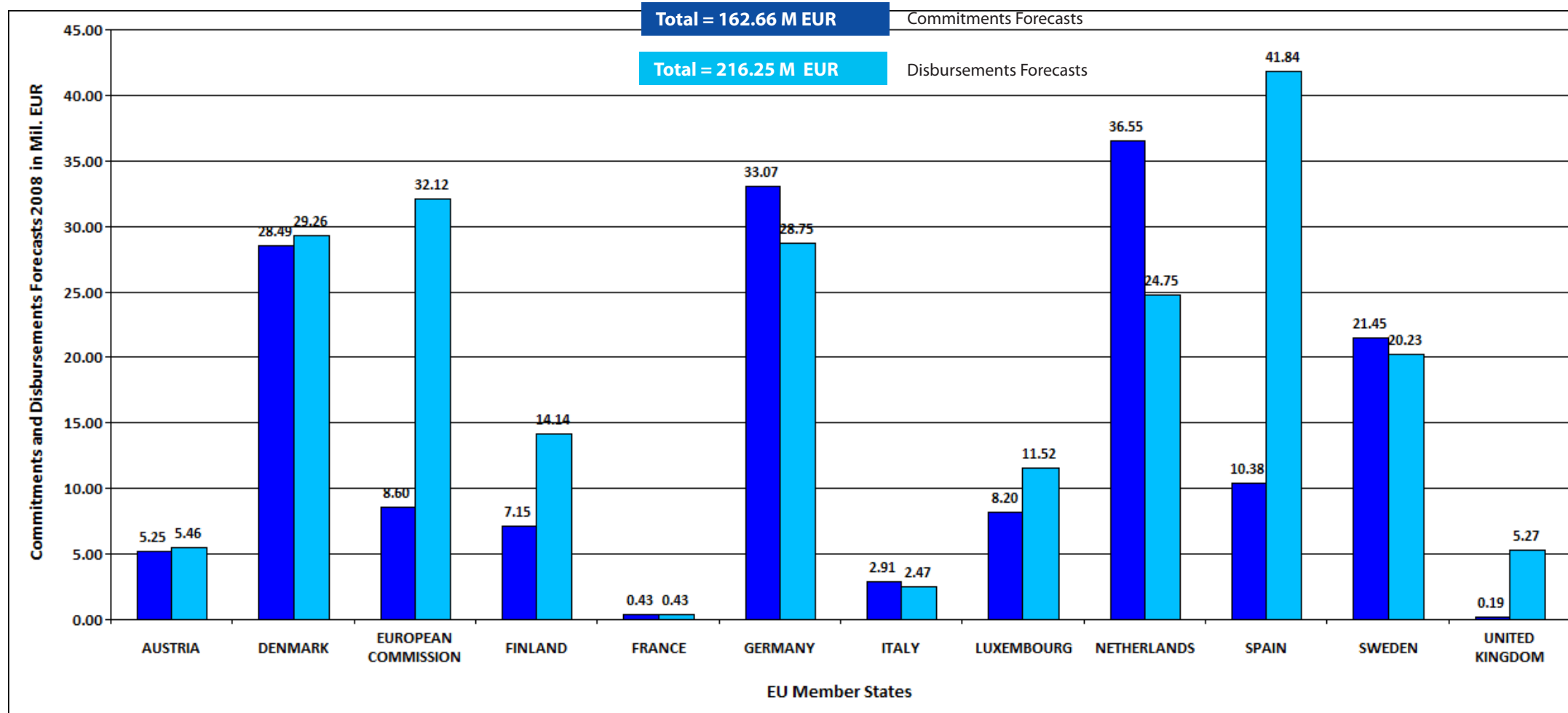
# EU Cooperation Achievements in 2007

EU ODA commitments and disbursements by donor in EUR millions, 2007



# EU Cooperation Forecasts for 2008

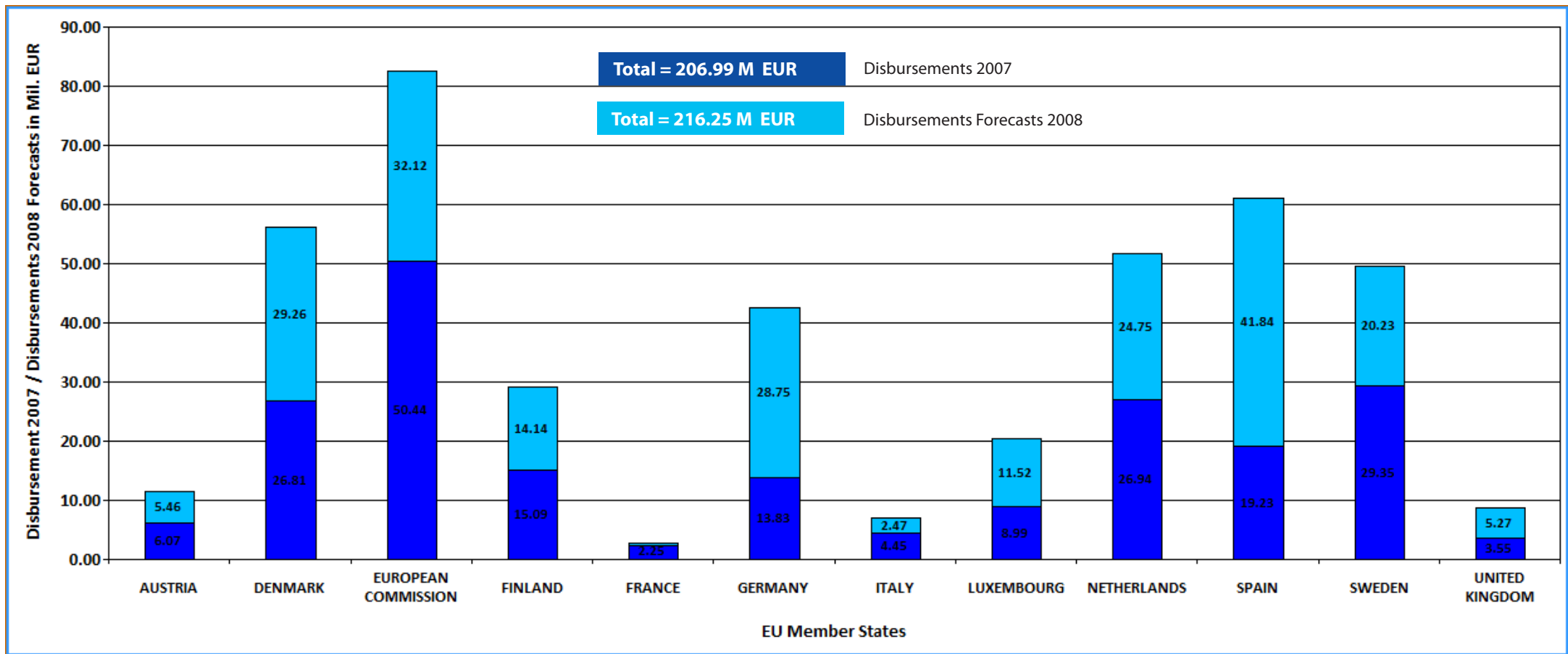
EU ODA commitments and forecasts for 2008



\* EU Member States shown in alphabetical order  
Source: 2008 ODA<sub>nic</sub> - [www.odadata.eu/odanic](http://www.odadata.eu/odanic)

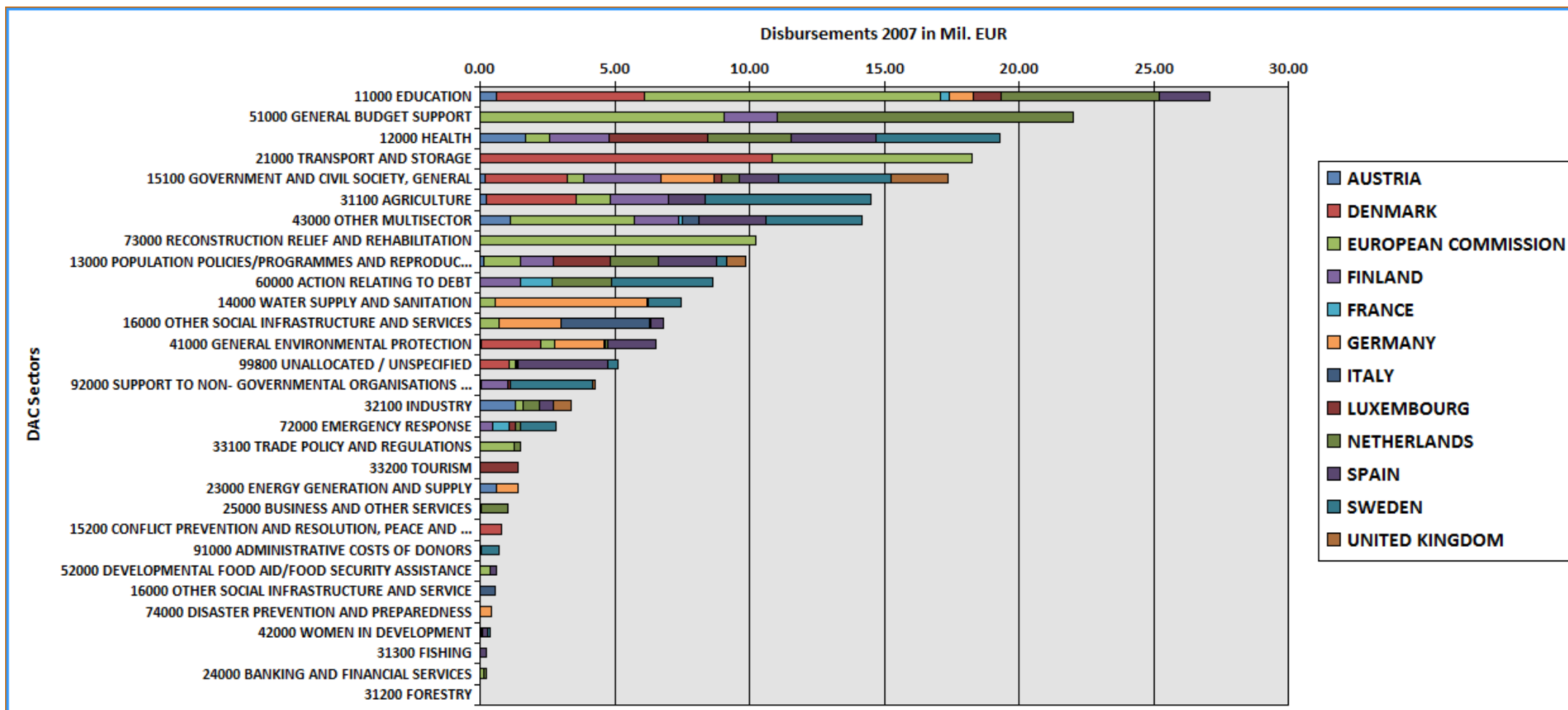
# EU Cooperation Trend 2007-2008

EU ODA disbursements 2007 and disbursement forecasts 2008



# EU Cooperation by DAC Sector in 2007

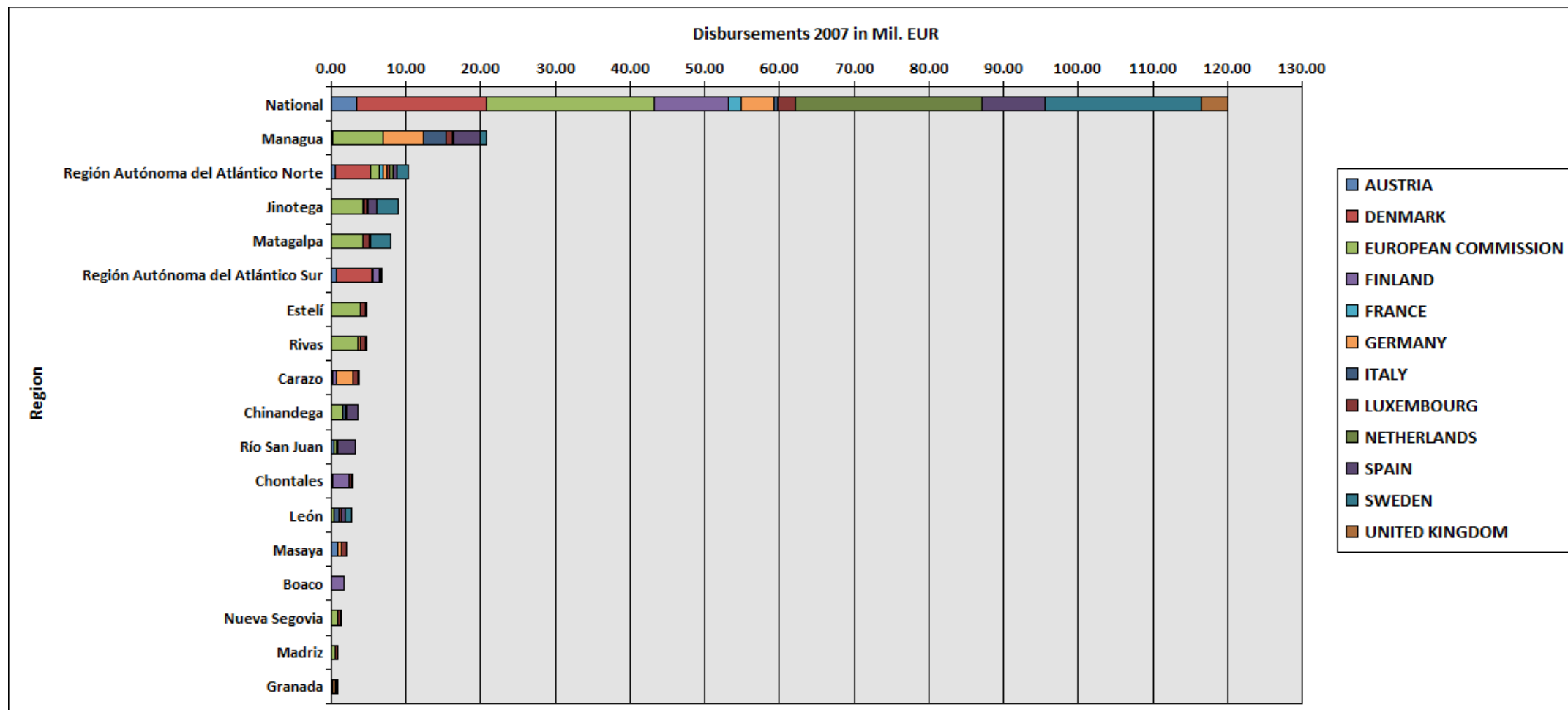
EU ODA disbursements by DAC Sector in 2007





# EU ODA disbursements by region in 2007

As per EU Member State in 2007

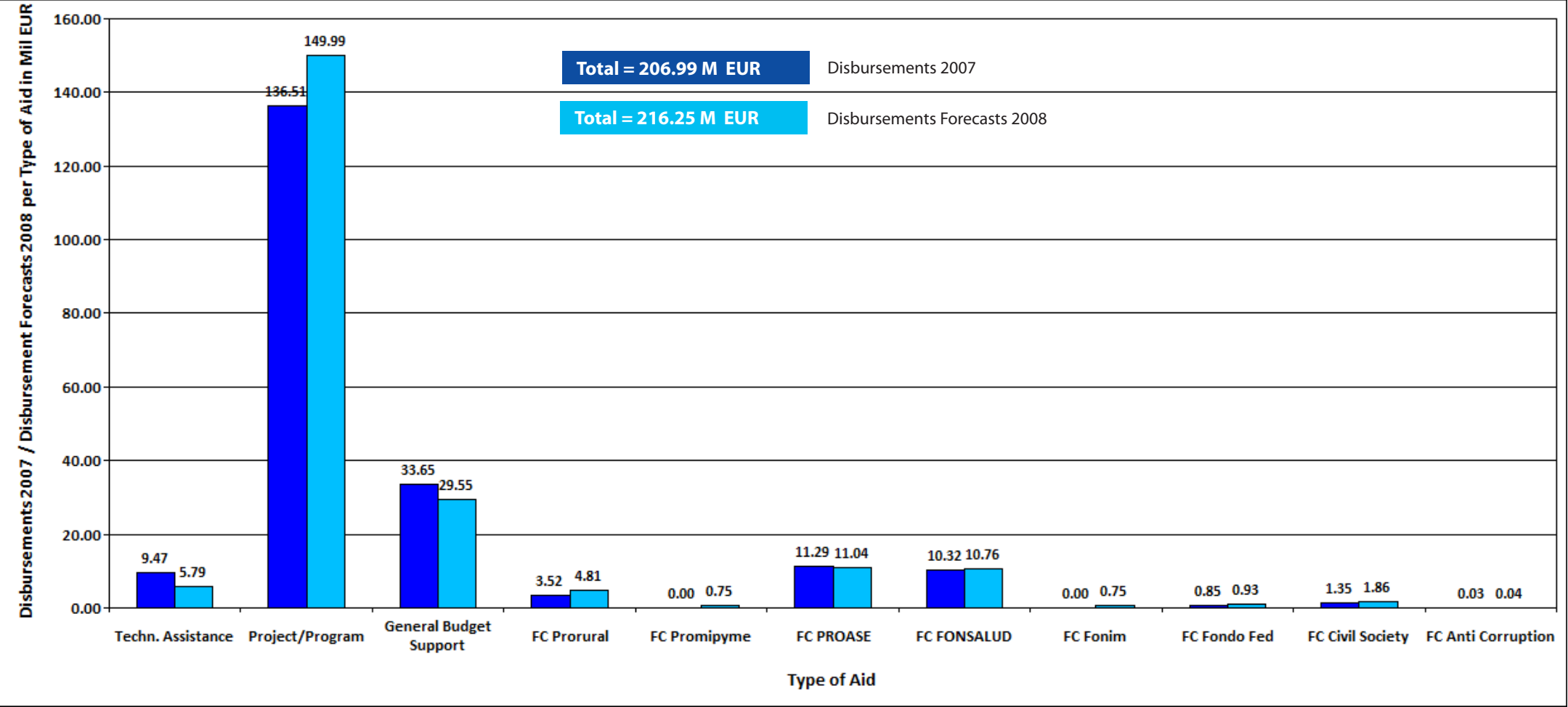


\* EU Member States shown in alphabetical order  
Source: 2008 ODAnc - [www.odadata.eu/odanc](http://www.odadata.eu/odanc).

Please note that regional disbursements are based on individual project disbursements divided by their number of regions. This might not reflect the full reality in the field but gives a confident trend

# EU Cooperation by type of aid in 2007, forecast 2008

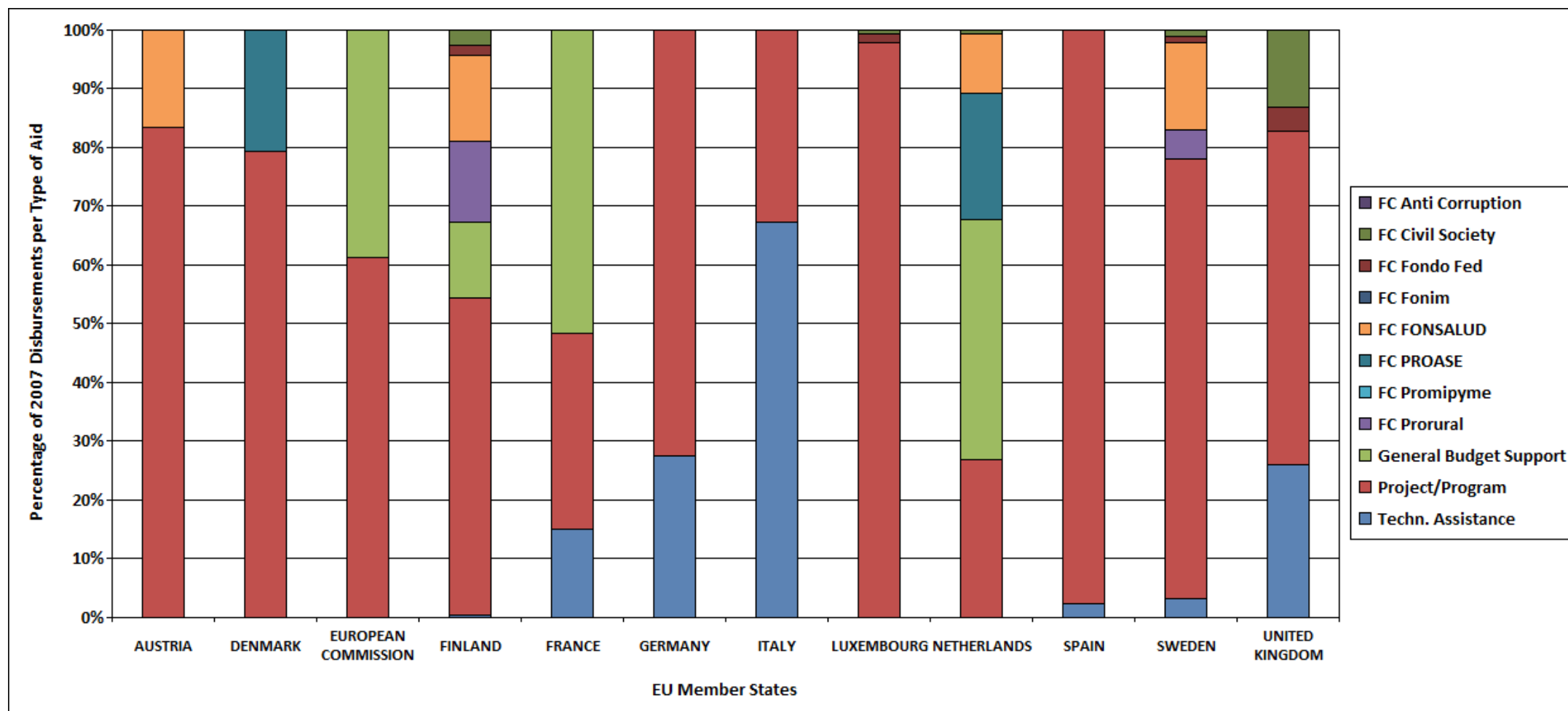
EU ODA disbursements by type of aid in 2007, forecast 2008



\* EU Member States shown in alphabetical order  
Source: 2008 ODAnc - [www.odadata.eu/odanic](http://www.odadata.eu/odanic)

## EU Cooperation in % by type of aid in 2007

EU ODA disbursements in % by type of aid in 2007 per EU Member State





### III. EU Donor Profiles

EU Blue Book 2007

## AUSTRIA - Current Country Strategy

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### PRIORITY COUNTRY – NICARAGUA

Bilateral relations between Austria and Nicaragua intensified in the early 1980s. It should be mentioned that Austrian NGOs played a very important role since thanks to them, in the early 1990s, Nicaragua became a priority country for Austrian Cooperation. There are more than 30 sister-city or twinning relations between Austria and Nicaragua and there are several cooperation relations between schools.

In the early 1990s, Austrian Development Cooperation was able to articulate many diverse activities into a Country Programme and it brought cooperation with Nicaragua into a structured form. In recent years, fostering rural development and small and medium business have been concretised as the principal themes, as well as healthcare and the development of capacities in the social sector. The Programme has the objective of concentrating on the immediate needs of the most disfavoured population in municipalities and regions of Nicaragua with structural weaknesses and it aims to contribute there to the struggle against poverty by promoting sustainable social, economic, and environmental development. This is in line with the National Development Plan of the Government of Nicaragua.

In recent years, it was also possible to establish more intensive cooperation with Nicaraguan State institutions like MINREX and several others: for example, MINSA, MIFIC, INPYME, INAFOR, MAGFOR, INTA, the regional authorities of the RAAN and the RAAS, and the local governments of León and all nine municipalities in the Department of Masaya.

In May 2007, the second bilateral consultations were held, allowing for an exchange of information about the priorities of the new government and the present sectors of work of Austrian Cooperation. The consultations will be an important input for the formulation of a new bilateral cooperation programme in the coming years.

Austrian Development Cooperation has three general objectives: poverty reduction, conflict prevention and assuring peace, and environmental protection. Austrian Development Cooperation also has a special interest in all its programmes to promote the equality of women in all social, economic, cultural, and development processes. Along this line, Austria is funding specific projects to promote the rights of women and youth, for protection against violence, as well as for recognition of their social and economic rights; in this way, contributing as well to the democratisation of society.

The 2003-2006 country programme can be found on the following webpage:  
[http://www.ada.gv.at/view.php3?f\\_id=9120&LNG=en&version=](http://www.ada.gv.at/view.php3?f_id=9120&LNG=en&version=)



### Institutional framework

Management system for ODA	Federal Ministry of Foreign Affairs / Finance
Total staff in Nicaragua	11
Total expatriate staff	1
Total local staff	10

### Contact

Austrian Development Agency  
Plaza España 1 cuadra al lago, apatado postal 3173, Managua, Nicaragua  
Tel: (+505) - 2663316  
E-mail: managua@ada.gv.at

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	3 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	16 %
Multilateral ODA / total ODA	12 %
Support to NGOs / total ODA	72 %

**Top 3 regions:** Masaya, Región Autónoma del Atlántico Sur, Región Autónoma del Atlántico Norte



**AUSTRIA**

### Degree of centralisation

Programming	Field Office / Head Quarters
Project appraisal and approval	Field Office / Head Quarters
Tenders	Field Office / Head Quarters
Commitments and payments	Head Quarters
Monitoring and evaluation	Field Office / Head Quarters

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	26 %
Commitment to projects	74 %

### Programming priorities

Country Strategy Paper	Yes
Period covered	2003 - 2008
Internet link	<a href="http://www.ada.gv.at/up-media/">http://www.ada.gv.at/up-media/</a>

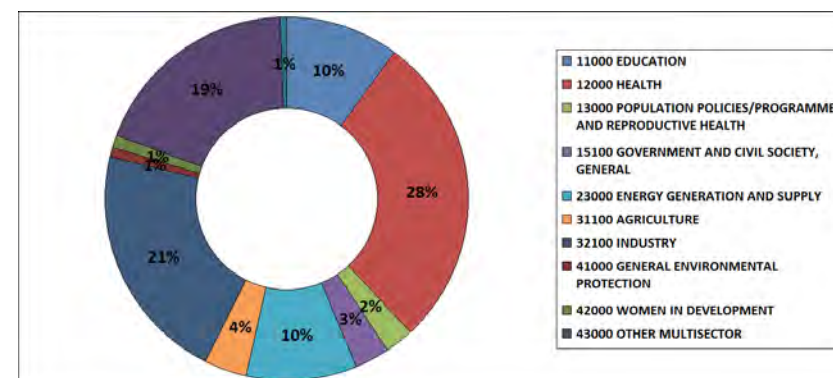
### Key priority sectors of the Strategy and their regions

12181 Medical education/training Amount: n/a Focal Regions: - Región Autónoma del Atlántico Norte - Región Autónoma del Atlántico Sur	43040 Rural development Amount: n/a Focal Regions: - Río San Juan - Región Autónoma del Atlántico Sur
32130 Small and medium-sized enterprises (SME) development Amount: n/a Focal Regions: - Estelí - Masaya	

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	6.1	5.5
<b>Loans</b>	0	0
<b>Total</b>	6.1	5.5

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)





## DENMARK - Current Country Strategy

### NICARAGUA-DENMARK, AN ASSOCIATION

#### Development Cooperation Strategy in Nicaragua, 2004-2009

The main objective of the Danish development policy is to promote sustainable development through oriented growth toward the reduction of poverty. The Danish cooperation pretends to help all the poorest sectors of the population of the developing countries, favouring the investments in the education and health areas, through the creation of infrastructures which will benefit the poor groups of the population and at the same time stimulate the private sector as a producer of employment and growth. Another main objective is the women's participation in development, prioritising the promotion of human rights, democracy and environmental protection. One of its main principles is to execute an operative and efficient program support through the management of resources oriented to pursuit positive results.

Denmark has been providing support to Nicaragua since 1981 and in 1993 the country was selected as a country of program cooperation. The main objective of the Danish support until today has been "to support a fair and sustainable social economic growth through actions in sectors and geographic regions where there are high possibilities to integrate the poor population". The Danish Cooperation has made emphasis in the following sectors: transport, agriculture, education, governance and environment besides a series of thematic programs and projects in the areas of decentralisation, human rights and democracy, and de-mining. The efforts have been concentrated in the poorest regions of Nicaragua, especially in the regions of the Atlantic coast and in the northern part of the country.

The clue aspects in which the Danish Cooperation Strategy for Nicaragua is based are:

Sustainable Economic Growth, preferably in the poor regions, through the support to the following sectors: transport, agriculture and environment as well as the support to private sector programs.

Human Resources Sustainable Development, through the support to the education sector and through the strengthening of the capacity in all cooperation sectors.

Promotion of Human Rights, Democracy and Governance through the support to human rights, democracy, decentralisation and public sector reform.

Added to these aspects, there is a strengthening of the coordination of transversal issues as well as the general priorities for the support to the foundation of a capacity to concrete the Nicaraguan Strategy to Fight Poverty.



Copenhagen - Nyhavn quarter



### Institutional framework

Management system for ODA	Ministry of Foreign Affairs / DANIDA
Total staff in Nicaragua	20
Total expatriate staff	7
Total local staff	13

### Contact

Embassy of Denmark in Managua  
De Plaza España, 1c. abajo, 2c. Al lago, 1/2c. Abajo. Managua,  
Tel: (+505) - 2680250  
E-mail: [mgaamb@um.dk](mailto:mgaamb@um.dk)  
Website: [www.ambmanagua.um.dk](http://www.ambmanagua.um.dk)

### Degree of centralisation

Programming	Field Office / Head Quarters
Project appraisal and approval	Field Office / Head Quarters
Tenders	Field Office / Head Quarters
Commitments and payments	Field Office / Head Quarters
Monitoring and evaluation	Field Office

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	15 %
Commitment to projects	85 %

### Programming priorities

Country Strategy Paper	Yes
Period covered	2004 - 2009
Internet link	<a href="http://www.ambmanagua.um.dk">www.ambmanagua.um.dk</a>

### Key priority sectors of the Strategy and their regions

11100 Education, level unspecified Amount: 24,832,215 EUR Sector is national.	21020 Road transport Amount: 71,812,080 EUR Sector is national.
15100 Government and civil society Amount: 2,979,866 EUR Sector is national.	31100 Agriculture Amount: 19,328,859 EUR Sector is national.
15162 Human rights Amount: 9,664,430 EUR Sector is national.	41000 General environment Amount: 26,845,637 EUR Sector is national.
15250 Land mine clearance Amount: 7,154,362 EUR Sector is national.	

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	13 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

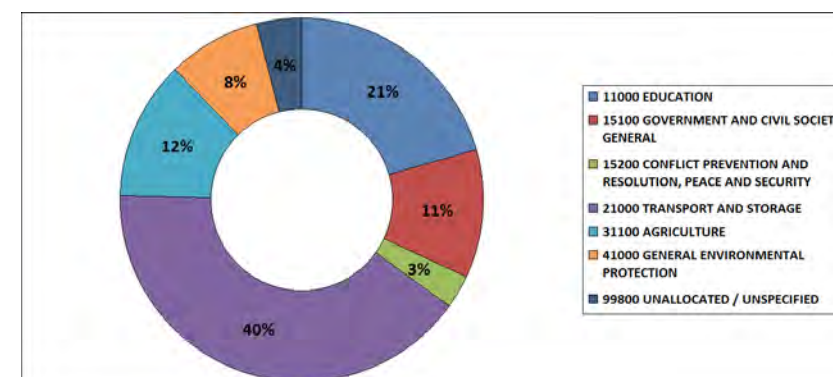
Bilateral ODA / total ODA	97 %
Multilateral ODA / total ODA	3 %
Support to NGOs / total ODA	0 %

**Top 3 regions:** Región Autónoma del Atlántico Norte, Región Autónoma del Atlántico Sur

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008 *
<b>Grants</b>	26.8	29.3
<b>Loans</b>	0	0
<b>Total</b>	26.8	29.3

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)



## FINLAND - Current Country Strategy

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### **Finnish strategy for Nicaragua: putting in action the Finnish government's global priorities in Nicaraguan context**

Finland does not have an official strategy for Nicaragua. The main principles of cooperation are agreed upon in the bilateral negotiations between Finland and Nicaragua every two years. The principles of the Finnish cooperation are defined in the Government's Development Policy Programme.

Development co-operation is a part of the Finnish foreign policy. It aims at added security in the world by reducing poverty and by promoting economically and socially sustainable growth.

Finland has the following general principles in the co-operation with Nicaragua

1. Support the development of Nicaragua in accordance with the National Development Plan.
2. Help Nicaragua to reach the Millennium Development Goals
3. Put in action the Paris declaration of harmonisation and alignment in Nicaragua
4. Use the Finnish know how as an added value in co-operation
5. Complementing the public sector co-operation, by working through different channels - United Nations, International Development Banks, civil society, etc. - in order to reach a coherent content of the programme and add efficiency in reaching the goals.

The main sectors of development co-operation in Nicaragua are:

- support to decentralisation and municipal development
- support to the health sector
- support to integrated rural development

In 2007, the Finnish bilateral cooperation budget for Nicaragua was 13,5 million euros and the programmed budget for 2008 is 15,0 million euros.



### Institutional framework

Management system for ODA	Ministry for Foreign Affairs of Finland
Total staff in Nicaragua	11
Total expatriate staff	5
Total local staff	6

### Contact

Embassy of Finland Managua  
Paseo Naciones Unidas, Edificio El Centro 2' piso, Rotonda El  
Güegüense 600m. sur, Managua  
Tel: (+505) - 2781216  
E-mail: sanomat.mgu@formin.fi  
Website: [www.finlandia.org.ni](http://www.finlandia.org.ni)

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	7 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	78 %
Multilateral ODA / total ODA	13 %
Support to NGOs / total ODA	9 %

**Top 3 regions:** Chontales, Boaco, Región Autónoma del Atlántico Sur



### Degree of centralisation

Programming	Field Office/ Head Quarters
Project appraisal and approval	Head Quarters
Tenders	Field Office
Commitments and payments	Head Quarters
Monitoring and evaluation	Head Quarters

### Preferred approaches for aid delivery

Commitment to budget support	11 %
Commitment to sector-wide approaches	31 %
Commitment to projects	58 %

### Programming priorities

Country Strategy Paper	No
Period covered	2007 - 2008
Internet link	<a href="http://www.finlandia.org.ni">www.finlandia.org.ni</a>

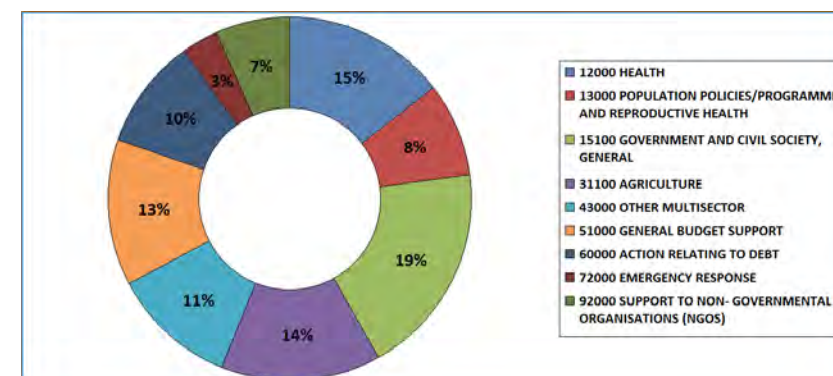
### Key priority sectors of the Strategy and their regions

12100 Health, general Amount: 4,050,000 EUR Focal Regions: - Carazo - Chontales	43040 Rural development Amount: 4,530,000 EUR Focal Regions: - Boaco - Chontales
15140 Government administration Amount: 3,300,000 EUR Focal Regions: - Boaco - Chontales	51010 General budget support Amount: 2,000,000 EUR Sector is national.

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	15.1	14.1
<b>Loans</b>	0	0
<b>Total</b>	15.1	14.1

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)



## FRANCE - Current Country Strategy

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French cooperation in Nicaragua is organised within a Central American regional context that takes into account the particularities of each country and the local priorities for development. In Nicaragua, French cooperation is directed by the Embassy of France in close collaboration with the Cultural Centre and Cooperation for Latin America (CCCAC) based in San José, Costa Rica. The Alliances Francesas of Managua and León implement the cultural activities.

It is within this regional frame that French cooperation in Nicaragua supports the organisation of projects that the local authorities are closely associated with. This cooperation takes different forms: technical seminars and missions of experts, training in France for professionals and students, support to NGOs, co-financing of decentralised cooperation projects.

Our efforts for scientific and technical cooperation favour the continuation of research and training, innovation, and development. In scientific matters, our cooperation has been focused for several years on big themes of service for development: medical training, hydrology, systems engineering in agricultural production, tourism, and policies for water and the environment.

As far as possible, France aims to facilitate and promote the dynamic of regional integration, supporting the creation of Central American networks for exchange of knowledge, both technical and fundamental; in particular in the areas of water, tourism, and historical investigation.

France also supports the strengthening of institutions and good governance with the training of Nicaraguan officials and students in French Big Schools.

Further, the SCTIP antenna (Service for International Technical Police Cooperation) organizes training sessions in France or on site for those in charge and agents of the Nicaraguan police in response to requests from national authorities.

Lastly, it is worthwhile mentioning that next to our bilateral cooperation, France is the second largest contributor to the Budget of the European Union and is part of a variety of Funds and International Organisations that have cooperation programs with Nicaragua



### Institutional framework

Management system for ODA	DGCID - MAEE
Total staff in Nicaragua	4
Total expatriate staff	3
Total local staff	1

### Contact

Embassy of France in Managua  
De la Iglesia El Carmen, 1 cuadra y media abajo - Montoya, Managua  
Tel: (+505) - 2226615  
E-mail: [info@ambafrance-ni.org](mailto:info@ambafrance-ni.org)  
Website: [www.ambafrance-ni.org](http://www.ambafrance-ni.org)

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	1 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	87 %
Multilateral ODA / total ODA	13 %
Support to NGOs / total ODA	0 %

**Top 3 regions:** Región Autónoma del Atlántico Norte



### Degree of centralisation

Programming	Field Office / Head Quarters
Project appraisal and approval	Field Office / Head Quarters
Tenders	Field Office / Head Quarters
Commitments and payments	Field Office / Head Quarters
Monitoring and evaluation	Field Office / Head Quarters

### Preferred approaches for aid delivery

Commitment to budget support	46 %
Commitment to sector-wide approaches	0 %
Commitment to projects	54 %

### Programming priorities

Country Strategy Paper	No
Period covered	2007 -2008
Internet link	<a href="http://www.ambafrance-ni.org">www.ambafrance-ni.org</a>

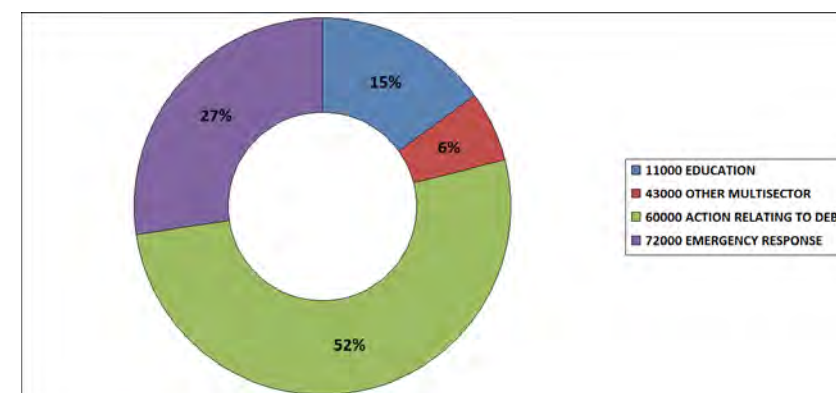
### Key priority sectors of the Strategy and their regions

n/a

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	2.3	0.4
<b>Loans</b>	0	0
<b>Total</b>	2.3	0.4

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)





## GERMANY - Current Country Strategy

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German development cooperation has the general objective of contributing to the creation of dignified lives of all human beings, promoting democracy, economic development, a fairer distribution of income, and the sustainable use and protection of natural resources. In these efforts, the Millennium Development Goals make up the frame for the obligatory orientation of German cooperation. Germany is also committed to a process of harmonisation and alignment in order more effectively and efficiently apply the official development aid.

In the German policy for cooperation, Nicaragua continues to be a very important partner in Latin America. Since 2002, the governments of Nicaragua and Germany have established the following three priority areas:

- decentralisation and strengthening of the rule of law and democracy
- environmental policy, protection and sustainable use of natural resources
- drinking water and sanitary drainage

These areas were confirmed in the inter-governmental negotiations held in late November 2007 with the present government of Nicaragua.

Besides bilateral cooperation, the German Government also contributes considerable funding to the European Union and multilateral organisations that promote cooperation programmes in the country.

It should be mentioned that a large number of non-governmental organisations are playing an important role in the cooperation policy and in many cases, they receive co-financing (matching funds) through the Federal Government of Germany.

There are also more than 20 sister-city / twinning relations between Nicaraguan and German cities, which for many years have jointly developed projects in different sectors. All these activities are a good indication of the firm commitment of Germany to and for Nicaragua.



### Institutional framework

Management system for ODA	Federal Ministry for Cooperation (BMZ)
Total staff in Nicaragua	24
Total expatriate staff	17
Total local staff	7

### Contact

Embassy of Germany, Managua  
 Bolonia, contiguo a Optica Nicaragüense  
 Tel: (+505) - 2663917  
 E-mail: alemania@cablenet.com.ni  
 Website: www.managua.diplo.de

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	7 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	100 %
Multilateral ODA / total ODA	0 %
Support to NGOs / total ODA	0 %

**Top 3 regions:** Managua, Carazo, Región Autónoma del Atlántico Norte



## GERMANY

### Degree of centralisation

Programming	Head Quarters / Field Office
Project appraisal and approval	Head Quarters / Field Office
Tenders	Head Quarters / Field Office
Commitments and payments	Head Quarters / Field Office
Monitoring and evaluation	Head Quarters / Field Office

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	10 %
Commitment to projects	90 %

### Programming priorities

Country Strategy Paper	Yes
Period covered	2007 - 2008
Internet link	www.managua.diplo.de

### Key priority sectors of the Strategy and their regions

14000 Water supply and sanitation  
 Amount: 38,500,000 EUR  
 Sector is national.

15100 Government and civil society  
 Amount: 27,000,000 EUR  
 Focal Regions:

- Rivas
- Región Autónoma del Atlántico Norte

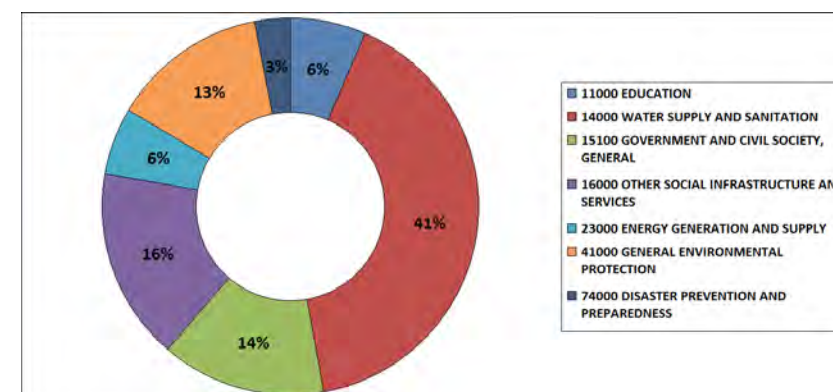
41000 General environment  
 Amount: 11,900,000 EUR  
 Focal Regions:

- Rivas
- Región Autónoma del Atlántico Norte

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	13.8	27
<b>Loans</b>	0	1.8
<b>Total</b>	13.8	28.8

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)



## ITALY - Current Country Strategy

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The frame for the Italian development policy for Nicaragua is defined by the struggle against poverty through sustainable development projects and plans for equitable economic growth. The vocation of the Office for Italian Cooperation in Nicaragua is to facilitate a kind of endogenous development, with specific attention to the human and physical, social, and economic setting of the country in question. It thereby seeks to strengthen projects with a territorial approach that put value on the local actors and to make foreign cooperation a temporary response to the problems of Nicaragua and its citizens that is increasingly invisible.

The strategy for planning and carrying out these objectives is developed through the following channels, which make up the vital core of Italian Cooperation in Nicaragua: the governmental sector, the non-governmental sector, and of no less importance, the implementation of programmes with multilateral agencies of the UN and the EU.

The goal that stands out most is to create a dialogue and a constant confrontation between these different and varied sectors and institutions, expressions of the State, of the cooperation agencies, and of civil society; in order to align resources and have the projects be more effective and pertinent. And so the principal operation is the harmonisation of interventions around common achievements and above all, concrete actions.

Under the governmental profile, what should be underlined among what is currently being developed is the effort in two distinct macro sectors: the project for rural and economic development of the dairy sector in the livestock region of the Departments of Chontales and the Río San Juan and the RAAS; and the other for the system of urban infrastructure for garbage collection in the City of Managua, work that is being done together with the

local government of the city. Foreseen in these two technical and infrastructure projects is the incorporation of a socioeconomic component around which some Italian and Nicaraguan NGOs selected through a bidding process shall work.

In the non-governmental sector, of the 16 Italian NGOs working in Nicaragua, nine now have projects that are financed by the Italian Ministry of Foreign Affairs. The sectors of intervention for these projects are social housing, health, the campesino population and rural development, handicrafts, education, commercialisation of products, and job creation.

For the next projects, the proposal is to re-launch the association and consortium between NGOs so that they can ask for more conspicuous amounts and carry out more effective actions, above all for economic development.

Lastly, the UN and EU agencies with which we collaborate are UNICEF, the UNDP, and UNIFEM; the latter two through the regional programme WINNER (Women into the New Network for Entrepreneurial Reinforcement); an important measure for women entrepreneurs that are acting in the networks for local economic development and carrying out local systems of governance.

On top of all this, is the strengthening of coordination of crosscutting themes, as well as the general priorities for support in situations of emergency and in terms of creating the long-term sustainable and autonomous capacity of Nicaragua to deal with poverty.



### Institutional framework

Management system for ODA	Ministry for Foreign Affairs / DGCS
Total staff in Nicaragua	3
Total expatriate staff	1
Total local staff	2

### Contact

Embassy of Italy, Managua  
 Rotonda el Gueguense 1cuadra al lago -Reparto Bolonia-2092, Managua  
 Tel: (+505) - 2666486  
 E-mail: [cooperazione1.managua@esteri.it](mailto:cooperazione1.managua@esteri.it)  
 Website: <http://www.cooperaitalia.org/>

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	2 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	67 %
Multilateral ODA / total ODA	12 %
Support to NGOs / total ODA	21 %

**Top 3 regions:** Managua, León, Chinandega



ITALY

### Degree of centralisation

Programming	Head Quarters
Project appraisal and approval	Head Quarters
Tenders	Head Quarters
Commitments and payments	Head Quarters
Monitoring and evaluation	Head Quarters / Field Office

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	0 %
Commitment to projects	100 %

### Programming priorities

Country Strategy Paper	Yes
Period covered	2007 - 2008
Internet link	<a href="http://www.cooperaitalia.org/">http://www.cooperaitalia.org/</a>

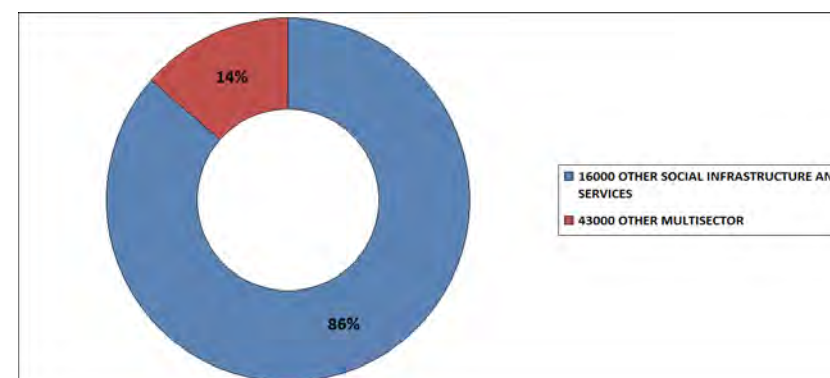
### Key priority sectors of the Strategy and their regions

16010 Social/ welfare services Amount: n/a Focal Regions: - Chinandega, León, Managua Masaya	43040 Rural development Amount: n/a Sector is national.
43030 Urban development and manag. Amount: n/a Focal Regions: - Chinandega, Granada, Jinotega León, Managua, Masaya, Matagalpa	73010 Reconstruction relief Amount: n/a Sector is national.

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	4.5	2.5
<b>Loans</b>	0	0
<b>Total</b>	4.5	2.5

### Distribution of ODA by DAC Sector (as a % of total 2007 Disbursements)



## LUXEMBOURG - Current Country Strategy

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Since 1990, the Grand Duchy of Luxembourg and the Republic of Nicaragua have implemented cooperation projects in Nicaragua and in recent years, bilateral relations between the two countries have undergone continuous and substantial strengthening.

A first Indicative Programme for Cooperation (PIC) between the two countries for the 2003-2006 period was signed on February 5, 2003. The second Indicative Programme for Cooperation (PIC2) was signed on December 4, 2006. The overall indicative financial portfolio is 31.6 million euros for four years (2007-2010).

The objectives of the PIC2 fall within the context of the priorities of the National Development Plan of Nicaragua, the Millennium Development Goals for 2015, and the objectives of Luxembourg's policy for development cooperation.

The strategic objectives contained in the PIC2 are poverty reduction and the promotion of sustainable development through support for the socioeconomic development of Nicaragua and the maximization of the impact of cooperation by means of better coordination and harmonisation of aid and more effective utilization of programme funds.

The activities of Luxembourg Cooperation focus particularly on the following sectors:

1. Education and training of human resources (Training of human resources for the tourism sector and upgrading the Teaching Colleges - training of teachers; a project is currently being discussed with the Ministry of Education).

2. Health (At the national level, support is provided for structuring a National System for blood collection, while in the Departments of Masaya, Rivas, and Carazo there is integral support for the SILAIS.)
3. Access to drinking water and sanitation (Institutional support is given to ENACAL North.)

The PIC2 integrates the crosscutting themes of governance, environment, and gender.

Almost all the bilateral projects in Nicaragua are executed by Lux-Development, the Luxembourgish Agency for Development, while 15% of the financial portfolio goes to financing projects executed by multilateral agencies.



### Institutional framework

Management system for ODA	Ministry for Foreign Affairs
Total staff in Nicaragua	7
Total expatriate staff	3
Total local staff	4

### Contact

Embassy of Luxembourg, Managua  
Oficina de Cooperación, del hospital militar 1c. Al lago 1 1/2  
abajo, contiguo al Hotel Maracas Inn  
Tel: (+505) - 2681881  
E-mail: embaluxe@cable.net.com.ni

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	4 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	66 %
Multilateral ODA / total ODA	23 %
Support to NGOs / total ODA	11 %

**Top 3 regions:** Managua, Matagalpa, Estelí



### Degree of centralisation

Programming	Field Office / Head Quarters
Project appraisal and approval	Field Office / Head Quarters
Tenders	Lux-Development
Commitments and payments	Head Quarters
Monitoring and evaluation	Field Office / Head Quarters

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	0 %
Commitment to projects	100 %

### Programming priorities

Country Strategy Paper	Yes-
Period covered	2007 - 2010
Internet link	<a href="http://www.mae.lu">www.mae.lu</a>

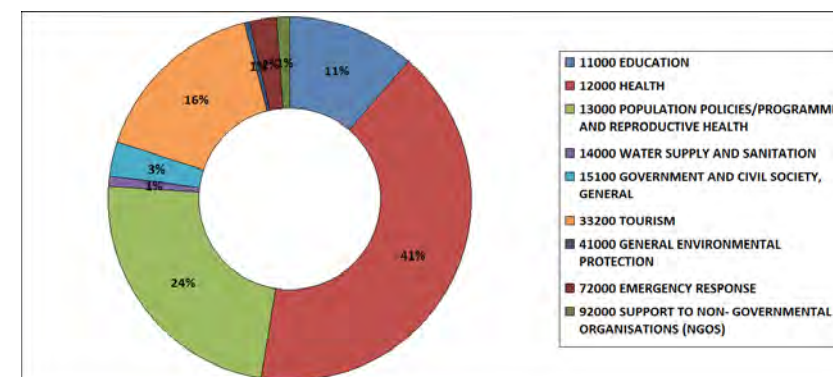
### Key priority sectors of the Strategy and their regions

11330 Vocational training Amount: 8,000,000 EUR Sector is Managua.	14020 Water supply and sanitation - large systems Amount: 8,000,000 EUR Focal Regions: - Estelí, Madriz, Nueva Segovia
12100 Health, general Amount: 12,000,000 EUR Focal Regions: - Carazo, Chontales, Estelí, León, Managua, Masaya, Matagalpa, Rivas	33210 Tourism policy and administrative management Amount: 4,350,000 EUR Focal Regions: - Estelí, Jinotega, Madriz, Matagalpa, Nueva Segovia

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	9	11.5
<b>Loans</b>	0	0
<b>Total</b>	9	11.5

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)





## NETHERLANDS - Current Country Strategy

Netherlands Government Multi-Annual Development Cooperation Policy for Nicaragua (2005-2008)

The general development cooperation policy guidelines for Nicaragua as well as other partner countries are included in several policy documents, available at the website of the Ministry of Foreign Affairs in the Netherlands ([www.minbuza.nl](http://www.minbuza.nl)), including the important recent Policy Paper 'Our Common Concern' (2007). See for references also the Embassy website: [www.embajadaholanda-nic.com](http://www.embajadaholanda-nic.com).

The present specific development cooperation policy for Nicaragua is laid down in an, internal, policy document, the Multi-Annual Strategic Plan (MASP) for the period 2005-2008. However, a new MASP for the period 2008-2011 is under preparation. The new Plan will lead to certain changes in the priorities for Nicaragua, and place, for example, more emphasis on sustainable economic growth and equity, using an added-value chain approach.

Apart from considerable contributions for debt relief, including for the commercial debt buy-back (EUR 2.2 million) in 2007, in 2006 a contribution of EUR 10.0 million was disbursed as General Budget Support (GBS), increasing to EUR 11.0 million in 2007 and EUR 12.0 million (planned) in 2008.

The sectors or themes, which receive major funding, are: health in general, with special attention for sexual and reproductive health and rights (SRHR), development of the private sector, basic education and good governance. Special attention is also given to the cross-cutting themes gender/women and environment.

In several cases the Dutch contribution is provided through some kind of joint funding, such as pooled funding as sector budget support (SBS) for the health sector through FON-SALUD, nearly EUR 13.8 million in five years, and parallel funding in the area of SRHR.

Also in the case of basic education a considerable contribution is provided as SBS to PROA-SE, in total an amount of EUR 34.0 million in six years, but in this case using the modality of delegated cooperation, i.e. through CIDA.

In the case of the support to the private sector, focusing on micro-, small and medium enterprises, discussions are ongoing about a multi-annual JFA for the new programme for this sub-sector, PROMIPYME, a continuation of the present project support through PRONAMIPYME. Other support for this sector is channeled as projects directly to and through private organizations and enterprises.

In the case of good governance contributions are given to different organizations focusing on subjects such as transparency, anti-corruption, civil society participation, partly through multi-donor basket funding as well.

There are also several separate projects supporting the crosscutting themes.

As will be clear from the above, The Netherlands is very keen on supporting the implementation of the Paris Declaration, in terms of alignment and harmonization of donor efforts.

The total contribution amounted to some EUR 27 million in 2007. In the coming years the amount is expected to be at nearly the same level.



### Institutional framework

Management system for ODA	MFA, Min. van Buitenlandse Zaken
Total staff in Nicaragua	12
Total expatriate staff	7
Total local staff	5

### Contact

Embassy of the Netherlands, Managua  
Carretera a Masaya km 5, del Colegio Teresiano, 1 c. al sur, 1 c.abajo  
Tel: (+505) - 2768630-43  
E-mail: mng@minbuza.nl  
Website: www.embajadaholanda-nic.com

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	13 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	84 %
Multilateral ODA / total ODA	5 %
Support to NGOs / total ODA	11 %

**Top 3 regions:** mostly National



## NETHERLANDS

### Degree of centralisation

Programming	Headquarters/Field Office
Project appraisal and approval	Field Office (and HQ for GBS and Silent Partnerships)
Tenders	Field Office
Commitments and payments	Field Office (and Headquarters for Silent Partnership(s))
Monitoring and evaluation	Field Office (and HQ for GBS and Silent Partnerships)

### Preferred approaches for aid delivery

Commitment to budget support	40 %
Commitment to sector-wide approaches	30 %
Commitment to projects	30 %

### Programming priorities

Country Strategy Paper	Yes
Period covered	2005-2008
Internet link	www.embajadaholanda-nic.com

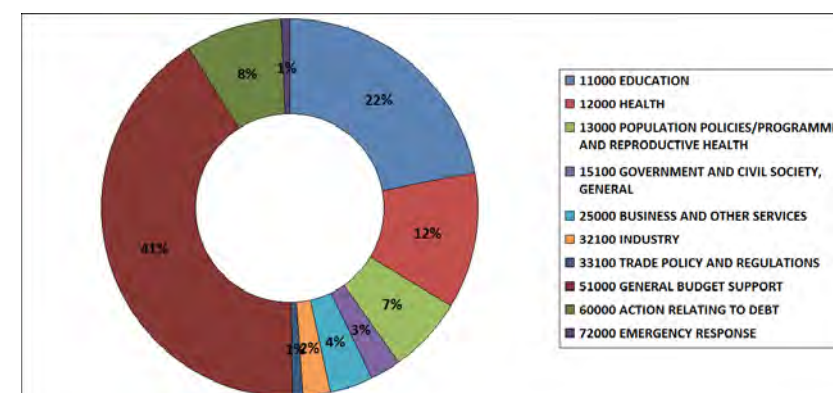
### Key priority sectors of the Strategy and their regions

11200 Basic education Amount: n/a Sector is national.	24000 Banking and financial services Amount: n/a Sector is national.
12100 Health, general Amount: n/a Sector is national.	25000 Business and other services Amount: n/a Sector is national.
15100 Government and civil society Amount: n/a Sector is national.	

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	26.9	24.7
<b>Loans</b>	0	0
<b>Total</b>	26.9	24.7

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)





## SPAIN - Current Country Strategy

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### AECI ACTIVITIES IN NICARAGUA

AECI in Nicaragua will carry out activities to achieve four strategic objectives based on a geographic concentration:

Democratic governance, citizen participation, and institutional development. For this, there will be actions along three strategic lines: Promotion of representative democracy and political pluralism; Strengthening of the Rule of Law and development of the administration in service of the citizens and good management of public affairs. Along this line, interventions are developed together with the Supreme Court of Justice of Nicaragua, the Office of the Comptrollers-General of the Republic, and the National Police.

Coverage of basic needs, prioritizing actions for education, especially actions that lead to improving universal access to education, improving educative quality and equity, the continuity and flexibility of the Educative System (basic training for youth and support for occupational formation). Elsewhere, the project for “Improved integral attention in sexual and reproductive health from gender equity” in the Department of León and the RAAN is presently in the phase of identification and formulation. It aims to create a model for integral attention in sexual and reproductive health in the frame of gender equity.

Promotion of the Economic and Entrepreneurial Fabric (support for MIPYMEs and social economy businesses in the sectors prioritised in the Directing Plan: tourism, coffee, and fisheries: Project for Support to coffee growers, Support for fishing activity in the artisanal communities of Lake Nicaragua, and the Project Co-Development Nicaragua-Costa Rica as an instrument to reinforce relations between both countries in regards to migration.

Environment: For the preservation of the country’s natural capital, reduce the environmental threats and social inequalities, through initiatives like the ARAUCARIA XXI Programme, specifically the ARAUCARIA Project in Río San Juan.

Gender and Development: Because of the importance of this sector for the development of Nicaragua, priority is put on the work along the lines of strengthening policies and mechanisms for gender equity and improvement for women in the economy.

Culture and Development: The idea is to prioritise actions that would contribute to the affirmation of Nicaragua’s own identity, through the promotion of cultural activities, academic upgrading with MAE Scholarship Programme, and the Programme of Patrimony/Heritage for Development (Masaya y León)



### Institutional framework

Management system for ODA	
Total staff in Nicaragua	50
Total expatriate staff	22
Total local staff	28

### Contact

Embassy of Spain, Managua  
Plaza Bolonia 2½ cuadra abajo  
Tel: (+505) - 2669285  
E-mail: [recepcion@aecinicaragua.org.ni](mailto:recepcion@aecinicaragua.org.ni)  
Website: [www.aecinicaragua.org.ni](http://www.aecinicaragua.org.ni)

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	9 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	46 %
Multilateral ODA / total ODA	7 %
Support to NGOs / total ODA	47 %

**Top 3 regions:** Managua, Río San Juan, Chinandega



## SPAIN

### Degree of centralisation

Programming	Head Quarters
Project appraisal and approval	Head Quarters
Tenders	Field Office
Commitments and payments	Head Quarters
Monitoring and evaluation	Head Quarters

### Preferred approaches for aid delivery

Commitment to budget support	0 %
Commitment to sector-wide approaches	7 %
Commitment to projects	93 %

### Programming priorities

Country Strategy Paper	No
Period covered	2007
Internet link	<a href="http://www.aecinicaragua.org.ni">www.aecinicaragua.org.ni</a>

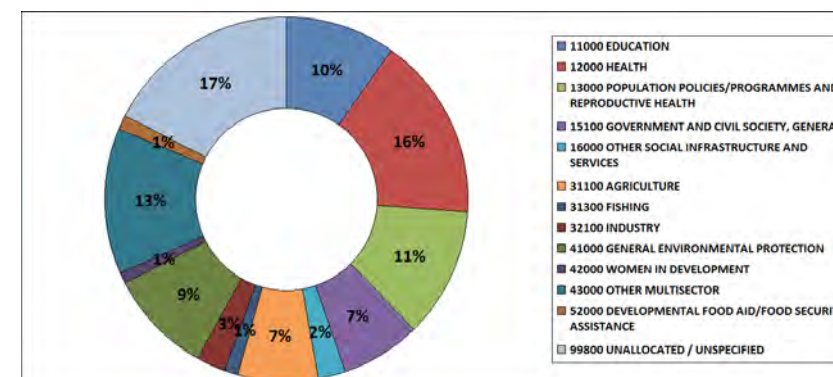
### Key priority sectors of the Strategy and their regions

12100 Health General Amount: n/a Sector is national.	25000 Business and other services Amount: n/a Sector is national.
15100 Government and civil society Amount: n/a Sector is national.	41000 General environment Amount: n/a Focal Regions: - Chinandega - Río San Juan

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	19.2	41.8
<b>Loans</b>	0	0
<b>Total</b>	19.2	41.8

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)



## SWEDEN - Current Country Strategy

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### Regional Strategy for Central America and the Caribbean

The Regional Strategy for Sweden's development cooperation with Central America and the Caribbean was decided by the Government of Sweden in May, 2000. This strategy includes country strategies for i. a. Nicaragua. Initially, the strategy period was set to be January 2001 – December 2005. However, later the strategy was prolonged on several occasions, and is now due to end in June, 2008.

The reason for the last prolongations was the fact that the Swedish Government decided on a process of concentration of development cooperation, from nearly 70 countries to 33, and also on a reduction of the number of sectors in each country. In August 2007, the Government decided that development cooperation with Nicaragua should be gradually phased out during a period of between two to four years. In December, instructions for the development of a new exit strategy were decided by the Government, and in collaboration with Sida Headquarters and the Ministry for Foreign Affairs, the Swedish Embassy in Managua was charged with proposing a strategy for the last period, June 2008- December 2010. The Sida Field Office will then be closed until June 2011. The Government is expected to decide on the new strategy by April 2008.

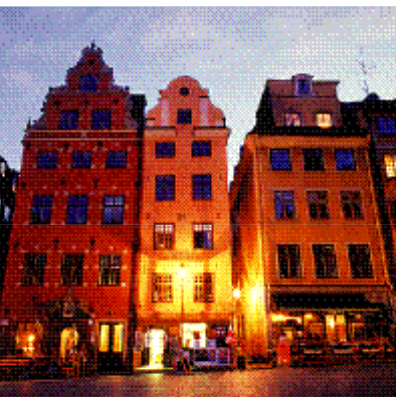
When the details of the strategy have been determined, the Embassy will post the document to the ODANIC website. Meanwhile, the current strategy can be downloaded from <http://www.sweden.gov.se/sb/d/574/a/21695>

Prioritized areas in the current strategy are the following:

- Democratic governance, including participation, the judiciary and conflict resolution
- The Health sector
- Rural development

Important themes to be managed in the cooperation and dialogue are:

- a human rights perspective
- gender equality
- an equitable distribution of resources
- sustainable management of the environment and natural resources



### Institutional framework

Management system for ODA	Sida / Swedish Int. Development Agency
Total staff in Nicaragua	23
Total expatriate staff	7
Total local staff	16

### Contact

Embassy of Sweden, Managua  
 Apartado Postal 2307, Managua  
 Tel: (+505) - 2558400  
 E-mail: [ambassaden.managua@foreign.ministry.se](mailto:ambassaden.managua@foreign.ministry.se)  
 Website: [http://swedenabroad.se/Start\\_\\_\\_21309.aspx](http://swedenabroad.se/Start___21309.aspx)

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	14 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	45 %
Multilateral ODA / total ODA	24 %
Support to NGOs / total ODA	31 %

**Top 3 regions:** Jinotega, Matagalpa, Región Autónoma del Atlántico Norte



**SWEDEN**

### A. Degree of centralisation

Programming	Government (strategy)/HQ (annual plan)
Project appraisal and approval	Field Office
Tenders	Field Office
Commitments and payments	Field Office
Monitoring and evaluation	Field Office

### B. Preferred approaches for aid delivery

Commitment to budget support	12 %
Commitment to sector-wide approaches	21 %
Commitment to projects	67 %

### C. Programming priorities

Country Strategy Paper	Yes
Period covered	2001 - 2008
Internet link	<a href="http://www.sweden.gov.se/sb/d/574/a/21695">http://www.sweden.gov.se/sb/d/574/a/21695</a>

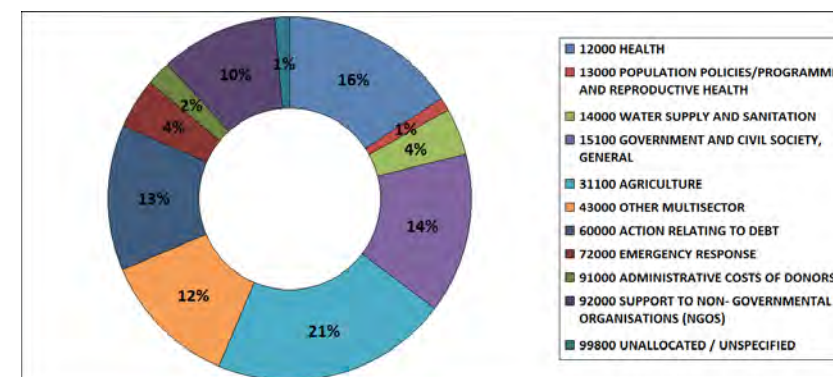
### Key priority sectors of the Strategy and their regions

12000 Health Amount: 37,527,000 EUR Sector is national.	43040 Rural Development Amount: 45,011,000 EUR Sector is national.
15100 Government & Civil Society Amount: 54,338,000 EUR Sector is national.	51000 General budget support Amount: 37,419,000 EUR Sector is national.

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	29.3	20.2
<b>Loans</b>	0	0
<b>Total</b>	29.3	20.2

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)



## UNITED KINGDOM - Current Country Strategy

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### Regional Assistance Plan (RAP) for Latin America 2004-2008

The Department for International Development (DFID) leads the British government's fight against world poverty. In Nicaragua, DFID provides poverty reduction budget support and also works in programmes that focus on poverty reduction and governance, social and economic inclusion, SME development and the enabling environment and HIV and Aids prevention and control. Total country programme for 2006/7 and 2007/8 amounted to £4 m each year.

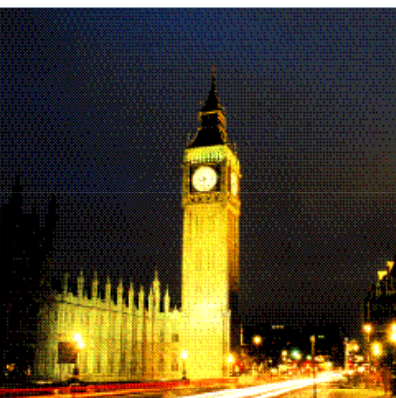
DFID's regional strategy is aimed at enhancing the effectiveness of assistance provided by multilateral. Thus, DFID's support is channelled through a combination of instruments that include direct technical assistance (jointly with multilateral organisations such as the WB, IADB and UNDP, as well as several bilateral donors) and strategic partnerships with local and international civil society organizations.

The objective of DFID's work on poverty reduction and governance is to ensure that public administration and political systems are more transparent, accountable and responsive to the poor. For this, it engages simultaneously with central and local governments, political institutions (such as political parties and legislative bodies), and CSOs.

DFID also works with governmental and private sector actors in order to stimulate equitable economic growth and fair access to markets. Special emphasis is given to the strengthening of SMEs' capacity to represent themselves, both at the national and regional level, in order to improve their competitiveness and their ability to put forward issues affecting their businesses with central government and IFIs.

DFID has contributed to strengthening the capacity of 110,476 micro and small urban and rural entrepreneurs. Access to regional and national markets has improved, allowing participation of non traditional economic actors in international trade. For example APLARI (Plantain association) members, signed a contract in August 2007 for 600 micro and small plantain producers to provide plantains to Central American supermarkets.

Work in HIV and Aids Prevention and Control has encouraged the GoN in its efforts to develop a stronger, multi-sectoral national response to the growing epidemic, and also focused on reducing stigma and discrimination through the involvement of faith and community based organizations. Christian churches and religious leaders are very much involved and motivated in the struggle against HIV and Aids. Soon enough a regional multidisciplinary group will come out to develop pastoral work. Their challenge will be to fight stigma and discrimination and turn it into solidarity and hope in favour of persons who live with HIV.



### Institutional framework

Management system for ODA	DFID
Total staff in Nicaragua	13
Total expatriate staff	2
Total local staff	11

### Contact

DFID, Managua  
Residencial Bel-Air, No. 77, Del Colegio Teresiano, 1c al Sur, 35 mts Abajo,  
Managua, Nicaragua  
Tel: (+505) - 2702985  
E-mail: m-johnston@dfid.gov.uk  
Website: www.dfid.gov.uk

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	2 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	28 %
Multilateral ODA / total ODA	46 %
Support to NGOs / total ODA	26 %

**Top 3 regions:** Only national activities



## UNITED KINGDOM

### Degree of centralisation

Programming	Field Office / Head Quarters
Project appraisal and approval	Field Office / Head Quarters
Tenders	Field Office / Head Quarters
Commitments and payments	Field Office
Monitoring and evaluation	Field Office

### Preferred approaches for aid delivery

Commitment to budget support	18%
Commitment to sector-wide approaches	21%
Commitment to projects	61%

### Programming priorities

Country Strategy Paper	Yes
Period covered	2004-2007
Internet link	www.dfid.gov.uk

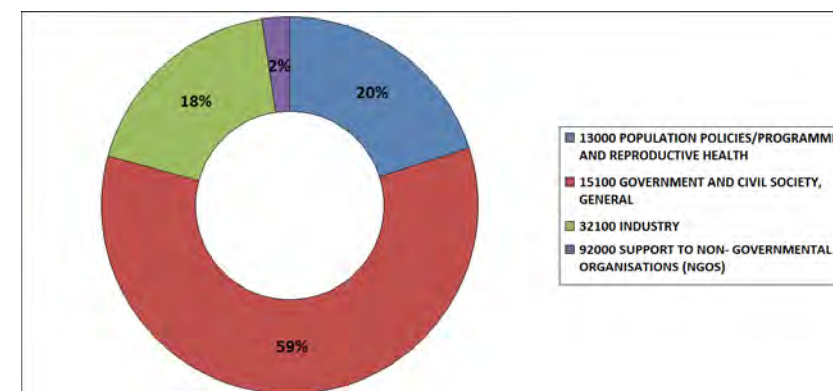
### Key priority sectors of the Strategy and their regions

13000 Population policies/Programmes and reproductive health Amount: n/a Sector is national.	43010 Multisector aid Amount: n/a Sector is national.
15110 Economic and development policy/planning Amount: n/a Sector is national.	

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	3.5	5.3
<b>Loans</b>	0	0
<b>Total</b>	3.5	5.3

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)





## EUROPEAN COMMISSION - Current Country Strategy

### European Commission Country Strategy Paper 2007-2013 / Nicaragua

The current EC strategy for the period 2007-2013 with total funds of 214 million Euros has been designed following a thorough multi-stakeholder consultation process, and is coherent with the Country's Development Programme. It should be considered not as a whole but as the European Commission's contribution to the overall effort, complementing that of Nicaragua and the rest of the donor community. Coordination and harmonisation are therefore essential components of its implementation. For the same reason, cooperation with Nicaragua will continue to be based on sector approaches (whenever possible financed through non-earmarked budget support) and capacity building. However, the whole range of EC instruments can be considered in designing implementation options, particularly outside focal sectors.

The EU aims to ensure coherence between the different aspects of cooperation, trade and political dialogue to ensure a more effective approach and greater results for Nicaragua. Similarly it strives to increase coherence between Community policies and instruments particularly in the areas of trade, agriculture, environment, health and consumer safety, internal market, competition and justice.

In line with EC development policy objectives and the conclusions of the Guadalajara (2004) and Vienna (2006) EU – LAC summits, in particular on social cohesion, the EC focuses on:

**Governance and Democracy: (37.6 million Euros; 17.6% of total funds).** The main objective is to continue supporting Nicaraguan efforts to effectively implement the Rule of Law and the separation of State powers. The EU will follow with great interest aspects such as access to justice, legal certainty including land tenure, the electoral process,

modernisation of institutions, transparency and integrity policies and other priority themes in the wider sense of governance.

**Education: (78.9 million Euros; 36.8 % of total funds).** The European Union will continue to support the Nicaraguan National Education Plan which was initiated during the previous programming period. Specific emphasis will be placed on primary, secondary and vocational education with particular attention paid not only to the achievement of the Millennium Development Goals but also to achieving quantitative and qualitative goals in education.

**Economic and Trade issues: (97.5 million Euros; 45.6% of total funds).** Assistance will be provided to Nicaragua in its commercial efforts, its integration in Central America and in the world economy (business and investment climate) in such a way as to contribute to the country's sustainable and equitable economic growth which is necessary in the fight against poverty. Small and medium enterprises will receive special attention.

Cross-cutting issues such as regional integration, gender equity, human rights and democracy, food security and environment will be mainstreamed into development cooperation and will additionally receive financing outside the focal sectors of the country strategy.

The above strategy will be supplemented by projects and programmes financed under the Central American and Latin American regional programmes, as well as those funded under thematic programmes. Similarly the role of ECHO (European Commission Humanitarian Aid department) in the region and in Nicaragua will be of vital importance in responding to natural and/or manmade disasters.



### Institutional framework

Management system for ODA	European Commission / RELEX / EUROPEAID
Total staff in Nicaragua	80
Total expatriate staff	35
Total local staff	45

### Contact

EC Delegation to Nicaragua  
 Porton Ppal Col. Teresiano 1c al este. Fte a Clinica Tiscapa  
 Tel: (+505) - 2704499  
 E-mail: [delegation-nicaragua@ec.europa.eu](mailto:delegation-nicaragua@ec.europa.eu)  
 Website: [www.delnic.ec.europa.eu](http://www.delnic.ec.europa.eu)

### Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements	24 %
Grant ODA / total ODA	100 %
Loan ODA / total ODA	0 %

### Channel of Delivery:

Bilateral ODA / total ODA	84 %
Multilateral ODA / total ODA	0 %
Support to NGOs / total ODA	16 %

**Top 3 regions:** Managua, Jinotega, Matagalpa



## EUROPEAN COMMISSION

### Degree of centralisation

Programming	EC
Project appraisal and approval	EC Delegation to Nicaragua
Tenders	EC Delegation to Nicaragua
Commitments and payments	EC Delegation to Nicaragua
Monitoring and evaluation	EC Delegation / EUROPEAID

### Preferred approaches for aid delivery

Commitment to budget support	70%
Commitment to sector-wide approaches	0%
Commitment to projects	30%

### Programming priorities

Country Strategy Paper	Yes
Period covered	2007-2013
Internet link	<a href="http://www.delnic.ec.europa.eu">www.delnic.ec.europa.eu</a>

### Key priority sectors of the Strategy and their regions

11100 EDUCATION, LEVEL UNSPECIFIED  
 Amount: 78,900,000 EUR  
 Focal Regions:

- Región Autónoma del Atlántico Norte
- Región Autónoma del Atlántico Sur

15100 GOVERNMENT AND CIVIL SOCIETY, GENERAL

Amount: 37,600,000 EUR  
 Sector is national.

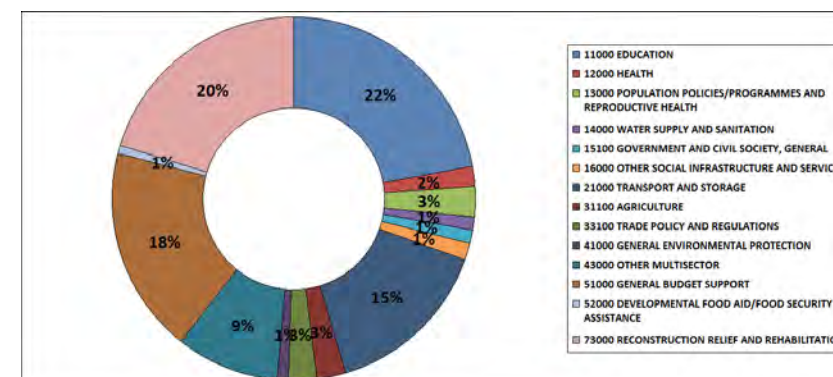
33100 TRADE POLICY AND REGULATIONS

Amount: 97,500,000 EUR  
 Sector is national.

### Disbursements 2007-2008 \*Forecast (in million EUR)

	2007	2008*
<b>Grants</b>	50.4	32.1
<b>Loans</b>	0	0
<b>Total</b>	50.4	32.1

### Distribution of ODA by DAC sector (as a % of total 2007 Disbursements)







## IV. Note To The Reader

EU Blue Book 2007

# EU Donor Profile: Explanatory Note

## Institutional framework

Management system for ODA

For example: Ministry of Foreign Affairs / Development Cooperation Directorate within the Ministry of Foreign Affairs/  
Autonomous Aid Agency /other (please specify)

Total staff in Nicaragua

Estimate of full time staff working on ODA in Nicaragua

Total expatriate staff

Estimate of full time expatriate staff working on ODA in Nicaragua

Total local staff

Estimate of full time local staff working on ODA in Nicaragua

## Aid in Nicaragua at a Glance in 2007

Disbursements / EU Disbursements

2007 Disbursements compared to 2007 EU Disbursements (in %)

Grant ODA / total ODA

2007 Grant Disbursements compared to total 2007 Disbursements (in %)

Loan ODA / total ODA

2007 Loan Disbursements compared to total 2007 Disbursements (in %)

Bilateral ODA / total ODA

2007 Bilateral Disbursements compared to total 2007 Disbursements (in %)

Multilateral ODA / total ODA

2007 Multilateral Disbursements compared to total 2007 Disbursements (in %)

Support to NGOs / total ODA

2007 Support to NGOs Disbursements compared to total 2007 Disbursements (in %)

Top 3 regions

Next to national activities, the top 3 regions according to disbursements made in 2007 - Please note that regional disbursements are based on individual project disbursements divided by their number of regions. This might not reflect the full reality in the field but gives a confident trend.

## Degree of centralisation

Programming

Who has the final decision on each stage of the ODA process? a) Headquarters or b) Field? For ...

Project appraisal and approval

Country ODA allocation, approval of country strategy

Tenders

Appraisal and approval of projects and programmes

Commitments and payments

Issue, approval and evaluation of tenders, selection of contractors

Monitoring and evaluation

Signature of contracts, approval of commitments and payments

Monitoring and evaluation of projects

## Preferred approaches for aid delivery

Commitment to budget support

Estimated % of ODA for 2007-2010 through budget support

Commitment to sector-wide approaches

Estimated % of ODA for 2007-2010 through sector-wide approaches

Commitment to projects

Estimated % of ODA for 2007-2010 through projects

## Programming priorities

Country Strategy Paper

Availability of a country strategy paper (response: yes/no)

Period covered

Period covered by the last available CSP

Internet link

Link to the Internet webpage where the CSP is available

Key priority sectors and their regions

Priority sectors according to the last CSP and their regions

## Disbursements 2007-2008\* ( in million EUR)

ODA disbursements from 2007-2008\* for grants and loans in million €, with 2008 being forecast data. Please note that only ODA under responsibility of the Agency/Embassy of the EU Member State participating is counted here. Full ODA disbursements can be higher.

## Distribution of Assistance by sector

Distribution of 2007 Disbursements by general DAC sector

