



Nicaragua

¡Un País de Oportunidades!

Invest in Nicaragua:

Light Manufacturing

SPIEX

Nicaragua, the right location for your business

With a fast-developing infrastructure, a young and talented labor force and a national strategy geared towards growth, Nicaragua has become a place for all-comers to invest in.



The largest and most astonishing country in Central America

893 km of coastline in the Pacific and the Caribbean

25 volcanic formations

15% of the land occupied by nature reserves

7.7% occupied by lakes, lagoons and rivers

7% of the world's biodiversity

General information



Official name	Republic of Nicaragua
Capital	Managua
Administrative Division	15 departments and 2 autonomous regions
Total Area	130,373 km ²
Population	6.7 million
Official Currency	Cordoba (C\$)
Official Language	Spanish
Time Zone	GMT-6
GDP	US\$15,671.6 million
GDP per Capita	US\$2,327.3
FDI Inflows	US\$1,842.3 million
Total Exports	US\$7,730.8 million

Source: BCN, MIFIC and SPIEX, 2023.

Light Manufacturing: engine of the Nicaraguan

A stylized map of Nicaragua is shown in the background, with the country's outline in a dark blue color against a lighter blue background. The map is positioned on the left side of the page, with the country's shape extending towards the right.

35.5%

of the total exports

91,960

jobs under the Free Trade Zone Regime

80

companies operating under the
Free Trade Zone Regime

Source: MIFIC, CNZF, 2022

Light Manufacturing: a stable industry based on human talent and trust

Nicaragua is the second largest exporter of automotive harnesses in Central America

Supplier #10 of textile to the United States in the world (by value)

Approximately 1,000,000 m² of industrial space is used by companies in the sector under the Free Trade Zone Regime

The Free Trade Zone Regime is the only economic sector that negotiates the minimum wage by means of a tripartite agreement, which establishes fixed increases in the minimum wage for periods of up to 5 years

Key Sectors



Textiles and confection



Medical devices



Auto parts

Light Manufacturing Main exported products



Textile and Apparel

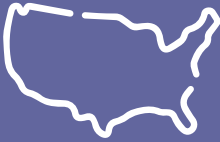


Automotive Harnesses

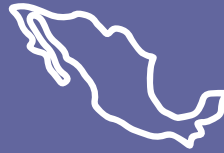


Medical device

Main export destinations



United States



Mexico



Honduras



Guatemala

Why choose Nicaragua?

1. Steady economic growth

The Nicaraguan gross domestic product has experienced a steady growth, with an average of 3.1 percent in the last years, and its exports have experienced a 5.1 percent in average interannual growth rate in the last 10 years.

Highest economic growth rates in Central America over the last 10 years

BCN and CEPAL projections

2. High global connectivity

Located in the heart of the Americas, Nicaragua easily connects with the main commercial destinations in the region and the rest of the world by plane, land and sea. Nicaragua also has current trade agreements that provides preferential access to 44 countries with a total of 1,500 million of consumers.

Lower export costs in Central America

World Bank



3. Highly developed infrastructure

Nicaragua is recognized for the progress in its infrastructure. The country has a road network with excellent quality and high connectivity, twelve aquatic ports, and two international airports. Likewise, renewable energy sources now constitute 75 percent of the energy matrix.

#6 in road network quality in Latin America and #1 in Central America

World Economic Forum

4. Young and dynamic human talent

Due to its qualified and highly productive labor force, Nicaragua is considered as the most competitive platform in Central America for intensive labor force operations. Besides, the country has a Dialogue and Consensus model between the Government, businesses and workers, which has been fundamental in the development of effective measures to foster economic growth, define salary adjustments, create new jobs and reduce poverty.

76% of the population is under 40 years old

INIDE

3.2 million people in the labor force in 2020

INIDE

Around 21,500 new professionals in 2020

University Population 2020, SPIEX



5. A great place to live

Nicaragua provides internationally recognized high safety levels and tranquility. Likewise, it is globally recognized by its progress in gender equality.

Lowest homicide rate in Central America and second in Latin

Statista and Police Department of each country.

#1 safest country in the American Continent with respect to organized crime as the major problem for doing business in America

Global Competitiveness Index, World Economic Forum.

#7 in gender equality in the world

Global Gender Gap Index 2022, World Economic Forum



6. Friendly business climate

Nicaragua provides a series of fundamental guarantees for investors through the Foreign Investment Promotion Law (344): free currency convertibility, freedom to repatriate capital and profits, access to local financing, protection of property rights, and equal treatment for national and foreign investors.

In addition, Nicaragua has signed up to 20 bilateral agreements for the reciprocal protection of investments with several countries in North, Central and South America, as well as Europe and Asia; and has subscribed several treaties for alternative dispute resolution.

Fewer number of procedures to open a company in Central America

World Bank

7. Variety of tax incentive programs

Nicaragua offers a great variety of tax incentives for different types of investments and sectors. In addition, it has very profitable programs for exporter companies:

Law 917: Industrial Free Zones for Export Law:

Companies interested in establishing operations 100 percent oriented towards exports and the generation of added value, whether of goods or services, can enjoy the following benefits for up to 20 years. 100 per cent exemption for the Payment Tax on Income (IR), custom duties, municipal taxes, sales taxes, among others.

Law 382: Law of Temporary Admission

Companies that transform goods and export at least 25 percent of their annual sales equivalent of at least US\$50,000 are allowed to import and purchase local raw materials, machinery, and supplies related to the operation, with tax exemption.

Light Manufacturing Companies in Nicaragua



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Your best guide

SPIEX is The Investment and Export Promotion Office of the Presidency of the Republic of Nicaragua, which offer complementary services to qualified investors and companies interested in exploring business such as:

Assessment and decision making

- *Preparation of personalized packages with updated and reliable information about the country.*
- *Analysis of comparative models of operating costs in the country.*
- *Specialized accompaniment in visits to the country to hold meetings with key actors.*

Establishment

- *Guidance and assistance in permit processes and government administrative procedures.*
- *Facilitation of contacts of goods and services suppliers.*

Retention and Expansion

- *Advice on investment opportunities to expand, diversify and add value to the local operations of companies.*
- *Approach with established companies, trade associations and the academy for the development of initiatives that strengthen the value chains of the business ecosystem.*

Contact us to start your investment
process in Nicaragua:



www.spiex.gob.ni
info@spiex.gob.ni

