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Global Agricultural Information Network

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Report Highlights:

This Report is a general review of the Nicaraguan market (focused on food retail, food service, and food processing sectors) and its opportunities for consumer-oriented food and beverages and edible fishery products. Report includes business practices, local standards, regulations and procedures and identifies best high-value prospects.

Post:
Managua

SECTION I. MARKET OVERVIEW

The Nicaraguan macro-economy remains stable and the economic growth has been sustainable.

Foreign direct investment and trade show an improvement in recent years. The Real GDP growth for 2012 was 5.2 percent and the GDP per capita grew 5.8 percent in the same year. Per Capita Income is approximately US\$ 1,731. Price inflation was 7.4 percent in 2013. Food and beverages prices show the highest increase of 10.3 percent, hotels and restaurants show an increase of 7.4 percent, and the HRI sector shows an increase of 7.4 percent.

Nicaragua's population reached 5.9 million inhabitants. 51 percent are females and 49 percent are males. It is a country of young people; the median age is 23 years old. Approximately 77 percent of the population is less than 39 years old. The Nicaraguan population grows at an annual rate of 1.22 percent.

Distribution of wealth inequality and disparity of household consumption levels are significant according to human development indicators such as the Gini Coefficient of 40.5 for 2012 (where 0 is the absolute distribution and 100 is the absolute inequality). The rule 80-20 very much applies to describe the Nicaraguan market. Twenty percent of the population own 80 percent of the nation's wealth and 80 percent of the population barely own 20 percent of the wealth. This results in a limited purchasing power for most consumers. Per IFAD data, 42 percent of the Nicaraguan population lives in poverty, and 15 percent live in extreme poverty. Among the rural population, the overall poverty rate is 63 percent with 27 percent in extreme poverty. However, per data from the World Bank, household consumption expenditure per capita growth (annual percent) was 1.8 percent in 2011 and 0.7 percent in 2012.

The Nicaraguan economy's principal sector is agriculture. It represents about 18 percent of the GDP and almost three fourths of Nicaraguan exports. However, the food produced is not sufficient to supply local demand, especially of processed foods. Most families in the rural areas depend on subsistence farming and agricultural activities, while families in the urban areas base their diets on food products that are not processed locally.

As a workforce, Nicaragua's population is characterized as flexible, with good working habits, and fast learners. As a market, it is a young market that offers opportunities for consumer oriented products and intermediate products. This is mainly because the industrial sector is not very developed and does not satisfy the domestic demand. Consumer oriented products are attractive to a young and rising middle class segment. Consumption of processed foods, like sweetened-flavored-soft drinks, processed sweets and snacks has grown in urban areas. This is related to consumer habits. The Nicaraguan diet is high on carbohydrates but low on proteins, vegetables and fruits. More than 65 percent of their daily calories are derived from carbohydrates.

General perspective of marketing opportunities for high value consumer foods/beverages and

edible fishery products

Nicaragua's imports add up to US\$ 5,851 million in 2012, where consumer oriented products (mostly perishable) make up for 25 percent of the imports. The three main exporters of consumer oriented products to Nicaragua are the U.S., Venezuela, and China. For food and beverage specifically, the Central American countries play an important role.

The food retail, food service, and food processing sectors are growing. The supermarket chains have expanded and modernized. The number of restaurants has grown due to an increase in tourism. Nicaragua offers business opportunities in the tourism sector that are enhanced by attractive tax incentives. In comparison to other Central American countries, Nicaragua's processed food sector is very limited. This may be considered an opportunity for exporters as well as investors. Nicaragua offers good opportunities for consumer oriented products, primarily food preparations, non-alcoholic beverages (sweetened and flavored), snacks (including cookies and wafers) and sweets, breakfast cereals and pastries.

Fisheries represent 10 percent of the GDP and the manufacturing sector represents 13.7 percent of the GDP. Shrimp production (farm and sea), lobster, and fish make up the fisheries production. Processed food, beverages (alcoholic and non-alcoholic) and tobacco are the primary activities that make up the 51 percent of the manufacturing sector in Nicaragua. Nicaragua offers good opportunities for products that are not of high-volume local production. Among the fisheries prospects are canned seafood products for retail and fresh salmon, clams, mussels, and calamari for the HRI sector.

Overall business climate

The 2013 Doing Business Report provides quantitative measures of the business climate in 189 countries around the world. Overall Nicaragua ranks number 119 globally, and is number one in the Central American region regarding protection to investors, enforcing contracts and closing a business. It also received a good ranking for trading across borders. According to ProNicaragua, the business promotion agency, Nicaragua has managed to improve the business climate through successful interventions in the simplification of procedures in the state apparatus. In 2011, there were US\$ 968 million of attracted foreign investment. This was a new record for the country, surpassing the previous mark achieved in 2008 of US\$ 626 million.

Partnerships between U.S. and Nicaraguan businesses are usual. U.S. companies seeking agents, distributors, or partners in Nicaragua can request export assistance from the U.S. Commercial Service, through an International Partner Search, Gold Key Service, or a Contact List through their nearest U.S. Export Assistance Center or the Economic/Commercial Section of the U.S. Embassy in Managua. In some cases, organizations such as the Nicaraguan Export and Investment Center (CEI), ProNicaragua, the American Chamber of Commerce of Nicaragua (AMCHAM), and the Chamber of Commerce of Nicaragua (CACONIC) may provide additional information on potential business partners.

The Nicaraguan Ministry of Development, Industry and Trade's (MIFIC) mission is to promote policies for sustainable economic growth and to help improve private sector competitiveness. MIFIC's

institutional strategy is to promote integration into the international economy through the negotiation and administration of international agreements in the field of trade and investment. MIFIC also promotes free competition and consumer rights in the Nicaraguan market.

Key aspects of doing business in the country

The Civil and Commercial Codes provide the required legislative framework for the operations of a private company in Nicaragua. Nicaragua's Commercial Code governs the establishment of joint ventures, licensing arrangements, general and limited partnerships, and corporations. Law 80 passed in 1990 and the subsequent regulations of 1999 set stipulations on public registry for partnerships, properties, and commercial transactions.

Partnerships or capital companies are registered in the Property Public Registry and Commercial Register (managed by MIFIC); the government will guarantee legal protection. The Government of Nicaragua operates a One-Stop Shop for Investment (VUI) within the Ministry of Development, Industry and Trade to streamline investment and business licensing. In general terms, to incorporate and register a company in Nicaragua, the following steps must be taken: 1) Draft Act of Incorporation, 2) Register at the Public Registry Office, 3) Register as Tax Payer and request a Municipal License. Registering a business is a relatively straightforward process. Foreign investors with investments above US\$ 30 thousand can register at the Ministry of Development, Industry and Trade (MIFIC) and obtain a foreign investor certificate, which is useful when applying for the Nicaraguan residency and for validating investment made in the country.

The Ministry of Finance and Public Credit (MHCP) regulates taxation and fiscal policy and the administration and collection of national taxes is entrusted to the General Revenue Department (DGI). The Taxpayer Registration Number, known as RUC grants individuals and companies the status of taxpayers to pay taxes to the government. It is issued by the General Revenue Department (DGI) and the Treasury Department. It is recommended to seek legal counsel before initiating the process of incorporating and registering a company in Nicaragua, in order to ensure that all documentation is prepared properly and to avoid inconveniences and setbacks.

Advantages and Challenges

Advantages	Challenges	Opportunities
Nicaraguan Importers trust the quality and wholesomeness of U.S. consumer-oriented products	Inflation in the food and beverages prices has increased significantly.	Existing Intermediary business with solid market knowledge and established distribution channels.
U.S. food products have excellent marketing presentation.	Some U.S. products are more expensive than substitute products available in Central America.	HRI Sector growth as a result of policies for tourism and investment growth.
Freight costs and contracts from the U.S. are lower for small markets such as Nicaragua.	Non-tariff barriers (SPS) with local customs especially for dairy and pork products. In some cases shipments may experience arbitrary delays from customs agents.	Expansion of the Supermarket chains.

Reduced tariff rates under the CAFTA-DR trade agreement.	Process of registering a product in Nicaragua can take up to three months due to the limited capacity of the Ministries of Agriculture and Health	
	Nicaragua does not have a port in the Atlantic, only one port in the Pacific. This forces businesses to bring in products through ports in Honduras and Costa Rica or via the Panama Canal. Central American roads may be dangerous and custom's processes at the border are slow. This may result in costs increase.	

SECTION II. EXPORTER BUSINESS TIPS

Local business customs

Importers must be registered as taxpayers. Once they have their taxpayer registration number (RUC), they must also register it with the Nicaraguan Customs Authority (DGA), Legal Affairs Division, where importers must present proof of fiscal solvency on a monthly basis. The Nicaraguan Customs Authority (DGA) maintains an online database of import tariffs, including tariffs applicable under CAFTA-DR. As a member of the Central American Common Market (CACM), Nicaragua applies a harmonized external tariff on most items at a maximum of 15 percent with some exceptions. Approximately 95 percent of tariff lines are harmonized at this rate or lower.

Importers must present the following documents to the Nicaraguan Customs Authority (DGA):

- bill of lading
- packing list
- original invoice
- declaration of invoice authenticity
- permits issued by Nicaraguan authorities
- certificate of origin (to determine applicability of CAFTA-DR and other trade agreements)

Importers normally hire custom broker's services to expedite the procedures with the Nicaraguan Customs Authority (DGA). The paperwork can be slow and businesses benefit from the expertise and existent working relationships these agents have. Two key websites where the Nicaraguan import requirements can be found are: <http://190.212.165.220/cuarentena/siaucitini/wfinicio.aspx> and http://www.minsa.gob.ni/index.php?option=com_remository&Itemid=52&func=select&id=1476

Food standards and regulations

Exporters must conduct the following key steps before shipping off to Nicaragua: 1) Ensure that the food products are registered at the Ministry of Health (MINSa), 2) have the importer request a permit from MINSa for the importation, 3) make sure to present a copy of the commercial invoice, sanitary certificate and certificate of origin at the border.

MINSa regulates processed food registration. The Direction of Food Control requires a certificate of free sale and a certificate of chemical analysis. To register food products, the petitioner must present a certificate of free sale issued in the country of origin by competent government sanitary authorities.

Food products must have a current sanitary registry in the country of origin. Registration is valid for five years and can be renewed thirty days prior to expiration date by presenting all the requirements listed above. All documents presented in English must be translated into Spanish. Once MINSA registers a product, it will issue a certificate of free sale for mass distribution in Nicaragua. The registration process takes on average twenty-one days when all the required documents are presented.

There are two basic laws that authorize these ministries to supervise food imports: Basic law of Animal and Plant Health (Law No. 291), whose main objective is to prevent the propagation of pests and diseases, and the General Law of Health (Law No. 423), which covers all aspects related to human health, including food safety aspects of processed food imports. MAGFOR's General Division of Animal and Plant Health Protection (DGPSA) is the entity responsible of implementing law 291 while MINSA implements law 423.

Recently modified Law 842 on the Protection of Consumer Rights now establishes that products must also have labels in Spanish. Products commercialized in the Autonomous Region of the Atlantic must have labels in the region's language. This law also requires local food retailers not to sell expired products and imposes high fines on establishments where expired products are found. Finally, this law prohibits the commercialization of products undergoing experimental phases.

Nicaragua is a member of the Central American Integration System (SICA). Under SICA, Nicaragua has adopted several Central American Technical Regulations (also known as RTCAs) related to import procedures and food safety. Among the new Central American regulations that have been adopted by Nicaragua are: Technical Regulation on Food Additives (RTCA. 67.04.54:10), Technical Regulation on General Labeling of Prepackaged Food Products (RTCA 67.01.07.10) and Technical Regulation on Nutritional Labeling of Prepackaged Food Products for human consumption older than 3 years (RTCA 67.01.60.10). According to the Central American Technical Regulation on General Labeling of Prepackaged Food Products (RTCA 67.01.07.10), that entered into effect in July 2012, all imported food products must also have labels in Spanish.

Nicaragua, as part of the Central American Customs Union, also signed the Central American Technical Regulation on "Nutritional Labeling of Prepackaged Food Products for Human Consumption for the Population Older than 3 Years". This regulation will become operational in January 2014 and requires listing nutrients such as total fat, saturated fat, carbohydrates, sodium, protein and energy value in the label of prepackaged food. Unlike the previous labels which only required to list the ingredients, the new labeling requirements must include nutritional value detailing portion size. It will apply to prepackaged food products that will be sold directly for human consumption in the Central American Region. Nicaragua does not have any general law on packaging and container requirements. Food service and warehouse type importers sell their products in larger size containers. Most retailers sell their products in sizes that are more convenient for consumers in terms of price and contents.

SECTION III. MARKET SECTOR STRUCTURE AND TRENDS

The following table shows the size (in US\$ value) of the top five sectors and the percentage of the total GDP.

Sector	US\$ Million	percentage of total
Agriculture, livestock, forestry and fishing	1,283	18.80 %

Manufacturing industries	1,194	17.90 %
Commerce, hotels and restaurants	926	12.90 %
Central government services	720	11.00 %
Housing	501	6.80 %

Source: data from ProNicaragua

HRI

The HRI sector offers good opportunities for sales. This sector has been growing constantly at an average of 4-6 percent in recent years.

	2008	2009	2010	2011	2012
Hotel and Restaurants Services Output (US\$ Million)	524.14	543.35	564.65	589.70	623.31
Percentage Annual Increase		4 %	4 %	4 %	6 %

Source: Data from the Nicaraguan Central Bank.

About 85 percent of the food service businesses import from the U.S. and about 10 percent from Asia. Within the HRI sector, 90 percent of the food service goes to the restaurants and about 10 percent goes to the hotels. Restaurants have largely grown due to the direct increase in both domestic and foreign tourism. The tourism government institution has been strengthening its efforts to promote tourism in Nicaragua. There is a tendency for locals from all economic levels to frequent restaurants as part of their social and family outings.

Food Retail

The supermarket chains have been expanding in the country, especially those owned by Walmart (La Union, MaxiPali and Pali). There are now 8 La Union supermarkets located in Managua and in some main cities like Granada, Leon and Masaya, and there are 46 Pali and MaxiPali dispersed throughout the country. The Pali and MaxiPali are mid-range while La Union and La Colonia are upscale stores. La Colonia (Mantica Group) now has 13 supermarkets in Managua and in some of the main cities. There is one Pricesmart in Managua.

More than 1,000 wholesalers and retailers (distributors) operate in Nicaragua. These have the capacity to reach many markets without the need of other intermediaries. They target both the modern supermarket chains and the traditional local markets. The expansion of the modern marketing channel exposes consumers to a greater variety of products. This means there is a higher demand of grocery items and that the purchasing habits show a trend towards more use of supermarkets. More Nicaraguans now visit the larger supermarkets looking for a wider variety of products from which to choose.

Per M&R Consumer habits poll in 2011 the following chart shows the percentage of the population that visit each location:

Location (Spanish)	Location (English)	2011
Supermercado	Supermarket	82.60 %

Mercado	Local Market	46 %
Minisuper	Convenience store	2.70 %
Pulperia	Small Convenience Store	14 %
Verduleria	Small Grocery or General Store	13.9 %

Source: NSE Poll by M&R Consultores.

Food Processing

The Nicaraguan industry has been growing over the last years at an annual rate of 8 percent. However, the local supply of various food products, especially those in the consumer oriented group, is very limited. The Nicaraguan food industry is mostly involved in primary processing activities of local products for the export market. This leaves good opportunities in the domestic market for foreign suppliers. Nicaraguan industries import high volumes of intermediate products such as additives and ingredients from foreign suppliers. The sector is still underdeveloped when compared with the rest of Central America.

	2008	2009	2010	2011	2012
Manufacturing Output of Food and Beverages (US\$ Million)	1,675.94	1,775.46	1,915.76	2,020.95	2,176.06
Percentage Annual Increase		6 %	8 %	5 %	8 %

The principal food products that make up the food industry in Nicaragua and their total growth from 2008 to 2012 are shown in the following chart:

Poultry meat	23 %
Cattle meat	42 %
Pasteurized milk	28 %
Sausage products	26 %
Poultry food	-7 %
Crackers	156 %
Sugar	11 %
Alcoholic beverages	26 %
Soft drinks	-16 %

Source: data from the Nicaraguan Central Bank.

In 2009, food production represented 45 percent of the sales and beverages represented 20 percent of sales in the Nicaraguan Industry. Soft drinks' downward trend may not be related to reduced product demand but to the presence of imported soft drinks. Non-alcoholic Beverages imported from the U.S. to Nicaragua have grown 863 percent over the past five years but is still a small market for the U.S., worth approximately US\$ 400,000 annually. Crackers have increased significantly over the last five years.

The fisheries sector grew approximately 15 percent in 2012. This is mainly due to the increase of shrimp production (farm and sea) and an increase in the exports of fish and lobster. The total 2012 fisheries production in Nicaragua was US\$ 141.1 million. The activities are mainly focused on the production of shrimp and lobster. Nicaragua also exploits at a smaller scale products such as crab, scale fish, sea cucumber, red snapper, grouper, sea-bass, among others.

	2008	2009	2010	2011	2012
Output of Fishing Sector (US\$ Million)	119.68	127.34	123.64	122.04	141.14
Percentage Annual Increase		43 %	-21 %	-9 %	106 %

Source: Data from the Central Bank.

Domestic industry capacity versus availability of foreign supplied products

According to FAO statistics, Nicaragua has a positive food trade balance. Nicaragua exports more food than it imports. However, the food production does not satisfy the food demand in terms of the variety needed for the average human diet. Most of the products found in the supermarkets come from Central American Countries and the United States. The U.S. is the top trade partner, followed by Costa Rica, Guatemala, Honduras, and El Salvador.

	2008	2009	2010	2011	2012
Consumer goods imports CIF (US\$ Million)	1,398.6	1,250.1	1,497.4	1,654.8	1,813.1

Source: Data from the Central Bank.

Total food production in 2011 added up to a value of US\$ 1,557 million. Nicaragua Food production increased a total of 4.67 percent from 2001 to 2006 and a total of 5.61 percent from 2007 to 2011. Food production per capita also increased, by 3.23 percent from 2001-2006 and by 4.15 percent from 2007-2011. According to FAO Statistics In 2011, food imports of intermediate products such as vegetable oil, wheat flour and food preparations have increased. From 2006 to 2011, food imports have increased by 20.3 percent. During the same period the exports increased by 31.07 percent.

In 2012 Nicaraguan fisheries imports rounded up to US\$ 7 million, versus US\$ 137 million of exported fisheries (total inland and marine production of fisheries). The following chart shows Nicaraguan exports of seafood, food manufactured goods, and agriculture and livestock during the last five years.

	2008	2009	2010	2011	2012
Seafood exports (US\$ Million)	99.2	88.9	115.4	124.4	128.2
Food Manufactured good exports (US\$ Million)	490.5	532.1	716.3	879.0	1,026.4
Agriculture and livestock exports (US\$ Million)	549.9	462.8	570.4	663.7	824.4

Source: Data from the Central Bank.

Market Entry Strategy

The use of distributors is the most common way to export U.S products. Local distributors and agents generally handle distribution and sales of imported products through wholesale, self-service (supermarkets and convenience stores), and retail ("pulperia" stores and informal vendors) channels.

The Nicaraguan retail market is relatively small, but exporters may benefit by identifying representatives with coverage in the main regions, which are divided in the Pacific, central and northern regions, and the Atlantic coast.

Trends in promotional/marketing strategies and tactics

The Nicaraguan market is very price-oriented. Buyer's decision making process is primarily influenced by the price. It is very likely to find promotional products that offer more quantity (15-25 percent more) for the same price, or promotional combinations, such as get a sample for free of an additional product. Sampling of new products in the supermarkets is also a very common market entry strategy.

Marketing introduction strategies include but are not limited to advertisement and publicity in local newspapers, magazines, radio, television, as well as road billboards. Since the majority population is considered poor and middle class, there is a lot of advertisement via radio. Radio is the number one means when trying to reach a broader audience. TV ads are also considered very effective. These are however, directed at a higher-income segment. Advertising for higher-income segments of the population can be found in newspapers, television, cinema, and cell phone text messaging.

Other popular means of promotion are billboards (used both in cities and rural areas), banners, printed flyers, and loudspeaker announcements. The latter ones are used more in the city and are more effective when a narrower target segment is defined. Publicity through the internet is limited although growing as the number of internet users increases. Nicaragua is the Central American country where access to internet is cheaper, thus resulting in a higher percentage of users.

SECTION IV. BEST CONSUMER ORIENTED PROSPECTS

The consumer-oriented exports from the U.S. to Nicaragua have grown from US\$ 31 million market in 2008 to US\$ 59.3 million in 2012.

	Product Label	2012 Imports (\$ Sales)	5-Yr Total Import Growth (\$ Sales)	5-Yr Avg. Annual Import Growth	Import Tariff Rate	Market Attractiveness / Key Constraints Over Market Development
2106	Food preparations, nes	60,146	53%	12%	0-15 %; 0-3 %for the U.S.	Growth of the industry sector of 8 percent annually.
1905	Bread, biscuits, wafers, cakes and pastries	48,136	57%	12%	15 %; 3 % for the U.S.	Nicaragua's industrial capacity is limited to supply local market.
2202	Non-alcoholic	47,351	59%	13%	10 %; 5	Growth in the demand

	beverages (excl. water, fruit or vegetable juices and mi)				% for the U.S.	of variety in the supermarkets.
1901	Malt extract; food preparations of flour, meal, starch or malt extract	39,535	39%	10%	0-15 %	Growth of the HRI sector and industry 6-8percent annually.
2103	Sauces mixed condiments & mixed seasonings	26,339	64%	13%	0-15 %; 0-3 % for the U.S.	Growth in the Food Retail sector.
1704	Sugar confectionery (incl white choc), not containing cocoa	23,942	32%	8%	15 %; 7 % for the U.S.	Central American countries dominate this market.
1904	Breakfast cereals & cereal bars	18,827	90%	18%	15 %; 7 % for the U.S.	Limited industrial capacity
407	Birds' eggs in shell	18,286	90%	17%	15 %; 7 % for the U.S.	
2009	Fruit & vegetable juices, unfermented	15,860	32%	7%	15 %; 3 % for the U.S.	Growth in the demand of variety in the supermarkets.
2104	Soups, broths & preparations thereof	15,080	65%	14%	15 %; 0 % for the U.S.	

FISHERIES PROSPECT

HS4 Code	Product Label	2012 Imports (\$ Sales)	2008-2012 Imports (\$ Sales)	5-Yr Total Import Growth (\$ Sales)	5-Yr Avg. Annual Import Growth	Import Tariff Rate	Market Attractiveness / Key Constraints Over Market Development
1604	Prepared/preserved fish & caviar	7,893	27,067	93 %	19 %	15 %; 0 % for the U.S.	Growth of the HRI sector.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

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Local chambers of commerce and business associations:

- Federation of Nicaraguan Business Associations (COSEP)
- Chamber of Industries of Nicaragua (CADIN)
- Chamber of Commerce of Nicaragua (CACONIC)
- National Association of Consumer-Oriented Products Distributors (ADIPROCNIC)
- National Chamber of Tourism of Nicaragua (CANATUR)
- Center for Exports and Investments (CEI)
- Association of Producers and Exporters of Nicaragua (APEN)

Trade and investment:

- Ministry of development, Industry and Trade (MIFIC)
- PRONicaragua investment promotion agency.

APPENDIX

TABLE A. KEY TRADE AND DEMOGRAPHIC INFORMATION

Agricultural Imports From All Counties (\$Mil) / U.S. Market Share (%)	632.2 / 37
Consumer Food Imports From All Countries (\$Mil) / U.S. Market Share (%)	473.3 / 12
Edible Fishery Imports From All Countries (\$Mil) / U.S. Market Share	1.7 / 35
Total Population (Millions) / Annual Growth Rate (%)	5.9 / 1.2
Urban Population (Millions) / annual Growth Rate (%)	3.4 / 2

Number of Major Metropolitan Areas	1
Size of the Middle Class (Millions) / Growth Rate (%)	2.4 / 1.1
Per Capita Gross domestic Product (U.S. Dollars)	1731
Unemployment Rate (%)	6.3
Per Capita Food Expenditures (U.S. Dollars)	568
Percent of Female Population Unemployed	2.8
Exchange Rate (US\$1 = X.X)	25.40

Note: The Imports data source was obtained from Nicaraguan customs (DGA) data and the U.S. market share was obtained based on BICO GATS data.

TABLE B. CONSUMER FOOD AND EDIBLE FISHERY PRODUCT IMPORTS

Nicaraguan imports of cereals (breakfast and cereal bars), flour (meal, starch, malt extract), pastas and couscous, bread biscuits, wafers, cakes, and pastries is a US\$ 112 million market, where the U.S. is the sixth leading exporter with a share of US\$ 11 million (10 percent).

Nicaraguan Imports of Cereal, Flour, Starch, Milk Preparations, and Products (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	73311	75327	82015	100966	112300
1	Mexico	17859	16634	21470	26336	26320
2	Costa Rica	13642	16515	16747	15691	18005
3	El Salvador	11176	11918	15133	18836	17918
4	Guatemala	9107	10376	10625	13905	13013
5	Honduras	6714	7575	6142	9805	11577
6	United States of America	5002	4391	5360	7168	11023
7	Chile	491	571	773	1015	5560
8	Netherlands	4530	2426	2281	2468	4040
9	Ireland	3020	2361	1023	2238	1956

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of food preparations include mixed sauces, mixed seasonings, soups, broths, yeast, extracts and concentrates of coffee and tea. It is a US\$ 108 million market, where the U.S. is the second leading exporter with a share of US\$ 44 million (41 percent).

Nicaraguan Imports of Food Preparations (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	70582	76984	77834	97282	108271
1	Costa Rica	31689	36471	35011	41165	44284
2	United States of America	9189	9915	12618	16432	19952
3	Guatemala	9316	9548	10552	13439	14768
4	Uruguay	7403	9172	4829	6334	6923
5	Mexico	5283	3198	4144	5810	6437

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of beverages make up a US\$ 60 million market, where the U.S. is the sixth leading exporter with a share of US\$ 1 million (1.6 percent). This group includes mineral and aerated water, non-alcoholic beverages, beer, wine, liqueurs, fermented beverages, spirits, vinegar and vinegar substitutes.

Nicaraguan Imports on Beverages, Spirits, and Vinegar (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	38075	43125	47715	62428	59910
1	Costa Rica	14552	17149	19981	20403	18659
2	El Salvador	8525	9325	10240	14237	16698
3	Guatemala	7955	10178	10976	20705	14340
4	Mexico	1329	1256	1634	1725	2006
5	United Kingdom	956	897	804	967	1371
6	United States of America	531	568	1099	1015	1282
7	Honduras	1343	900	108	82	1251
8	Chile	752	934	874	964	1233

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of dairy products include milk and cream, cheese, curd, butter, and bird eggs. This is a US\$ 45 million market where the U.S. is the second leading exporter after Costa Rica, with a share of US\$ 12 million (27 percent).

Nicaraguan Imports of Dairy Products (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	26425	26363	31504	37127	45411
1	Costa Rica	8258	9674	10758	15537	22503
2	United States of America	7266	6836	9268	10394	12582
3	New Zealand	3172	4677	5801	6346	4962
4	Panama	3915	4192	3590	2702	2027
5	Latvia	0	0	0	0	801

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of vegetable fruit, nuts and food preparations include prepared and preserved vegetables, fruit and vegetable juices, preserved fruits, sugar preserved fruits and nuts, prepared and preserved tomatoes and cucumbers, and mushrooms. This is a US\$ 33 million market, where the U.S. is the leading exporter with a share of US\$ 8 million (24 percent).

Nicaraguan Imports of Vegetable Fruit, Nut and Food Preparations (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	22573	24692	28865	31021	33115
1	United States of America	4937	5172	6918	7654	8044
2	Honduras	5452	6405	7801	7529	7846
3	Costa Rica	2642	5386	5448	5214	5200
4	El Salvador	3296	3277	3300	4318	4835
5	Guatemala	3266	2186	2433	2852	3430
6	Mexico	756	457	528	579	905

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of sugars and sugar confectionary include cane and beet sugar, sugars, artificial honey, caramel, white chocolate. This is a US\$ 24 million market, where the U.S. is the sixth leading exporter after Central American countries and Mexico with a share of US\$ 1 million (4 percent).

Nicaraguan Imports of Sugars and Sugar Confectionary (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	18594	16903	19857	23052	24405
1	El Salvador	2793	3177	4871	7235	9175
2	Guatemala	7209	5257	5191	6092	4661
3	Honduras	1757	1832	2060	2065	3108
4	Mexico	2022	2140	2467	2952	3081
5	Costa Rica	1183	1220	1565	1688	1522
6	United States of America	926	707	779	820	944
7	China	501	461	692	523	553

Source: ITC calculations based on UN COMTRADE stats.

Nicaraguan imports of cocoa preparations include chocolate, cocoa powder, cocoa beans, cocoa paste, and cocoa butter. This is a US\$ 10 million market, where the U.S. is the top exporter with a share of US\$ 3 million (30 percent).

Nicaraguan Imports of Cocoa Preparations (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	5764	5479	6577	9525	10410
1	United States of America	1321	1702	1780	2684	3132
2	Mexico	845	1056	1473	2919	2505
3	Costa Rica	1616	1257	1553	1656	1717
4	Netherlands	0	32	0	0	1068
5	El Salvador	1285	864	1080	1073	942

Source: ITC calculations based on UN COMTRADE stats.

FISHERIES

Nicaraguan Imports of meats and seafood preparations are a US\$ 27 million market, where the U.S. is the fourth leading exporter with a share of US\$ 3 million. This group includes sausages, prepared and preserved meat and seafood products.

Nicaragua Imports of Meat, Fish and Seafood Preparations (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	15797	16406	17675	22310	26996
1	Costa Rica	9313	9436	10276	12412	13188
2	Guatemala	1933	2376	2480	2765	3758
3	Thailand	1302	1335	1348	2414	3735
4	United States of America	1413	1384	1900	2428	2984
5	Panama	662	678	738	1018	1551

Source: ITC calculations based on UN COMTRADE stats.

The following chart shows the value of Nicaraguan imports of edible fisheries products including frozen and chilled fish (whole and pieces), crustaceans and mollusks. The U.S. is the sixth leading exporter with a market share of 6 percent.

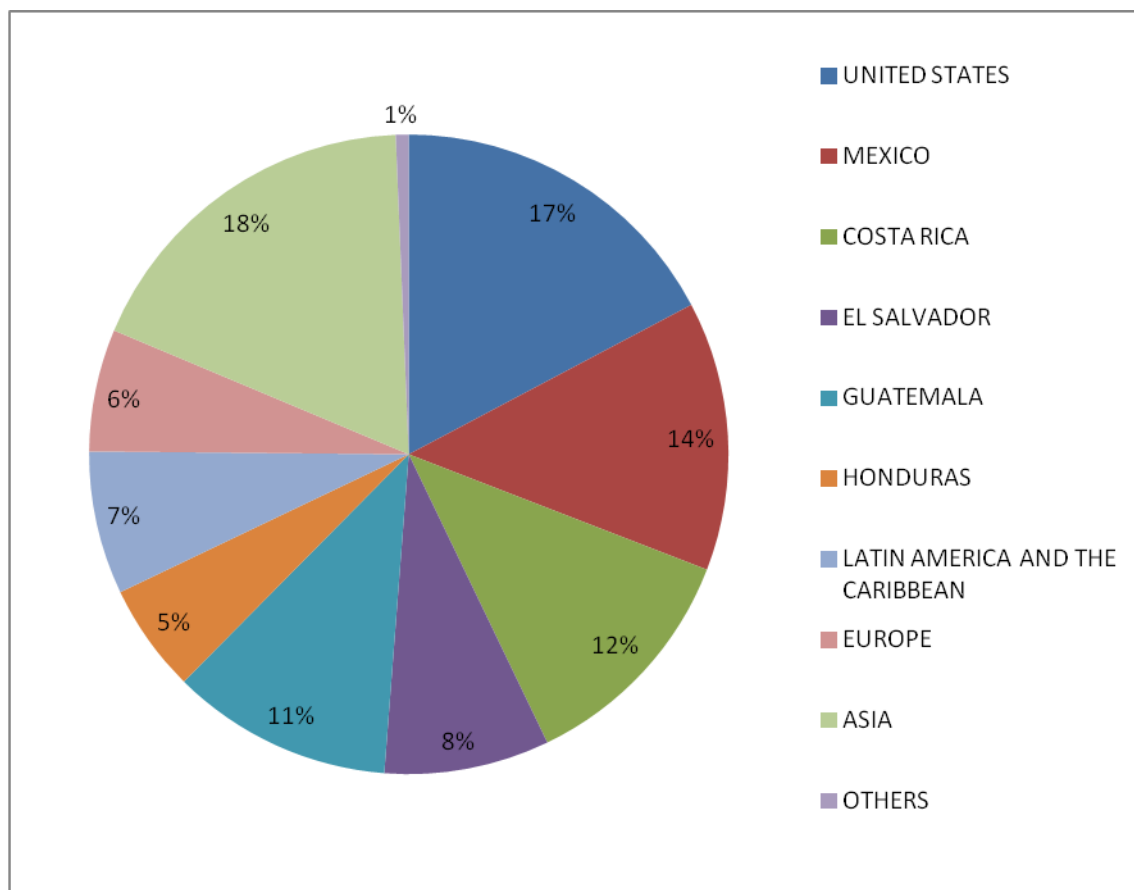
Nicaraguan Imports of Fish Products (US\$ Thousands)						
		2008	2009	2010	2011	2012
	World	1070	701	790	1271	1543

1	Viet Nam	124	55	223	314	370
2	China	84	110	174	169	312
3	Chile	67	128	121	108	275
4	Honduras	430	59	0	184	150
5	Costa Rica	14	25	37	201	134
6	United States of America	68	44	81	49	93

Source: ITC calculations based on UN COMTRADE stats.

TABLE C. TOP 15 SUPPLIERS OF CONSUMER

The U.S. is the number one supplier country of consumer oriented products (including but not limited to processed foods, fisheries and ingredients) with a 17 percent market share per 2013 data from the Nicaraguan Central Bank. The rest of the Central American countries also have a significant share; together they sum up to 37percent of the market share.



Source: 2013 data from the Nicaraguan Central Bank.

