



STATE CAPTURE IN NICARAGUA

The Case for International Pressure

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Introduction

This memo addresses the extent to which the Nicaraguan government of Daniel Ortega and Rosario Murillo have used international borrowing to sustain its economic apparatus, particularly in the form of state capture, and offers recommendations on how to address this problem.* The memo points to at least five different features of this apparatus that amount to practices of state capture, and how external borrowing serves the purpose of supporting the government's clientele while increasing the country's dependence on and obligations to international financial institutions.

Understanding State Capture

When looking at the Nicaraguan government's practices, Nicaragua fits the textbook definition of state capture:

"Efforts of firms to shape the laws, policies, and regulations of the state to their own advantage by providing illicit private gains to public officials."¹

The International Monetary Fund (IMF) defines situations of a state capture such as those when:

"Senior public officials may engage in embezzlement, extortion, or intimidation of the private sector for the purpose of enriching themselves, their families and their associates (often referred to as a "kleptocracy")."²

This issue matters because the IMF is responsible for assessing governance vulnerabilities regarding problems that can affect the state's economic function such as vulnerabilities of (i) fiscal governance, (ii) financial sector oversight, (iii) central bank governance and operations, (iv) market regulation, (v) rule of law, and (vi) Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT).

*This memo captures the discussions, analyses, and recommendations of the Working Group on Politics and Mediation on Nicaragua of the Inter-American Dialogue. Cover photo: Alexander Schimmeck / Flickr / CC BY-NC-ND 2.0 DEED

As the revised framework states, the “IMF’s judgments should not be influenced by the nature of the political regime of a country, nor should it interfere in domestic or foreign politics of any member,” the document agrees too that the IMF needs “to take a view on whether the member is able to formulate and implement appropriate policies.”³

Given conditions in Nicaragua, the IMF should be considering these responsibilities before validating macroeconomic performance as a means for the country to secure external lending.

Government indebtedness has not been consistent with national development plans whose primary focus should be human and social development.

State Capture in Nicaragua

The Ortega-Murillo family have established a mechanism to extract resources, to their benefit, through four prongs:

- Use of state agencies for their own benefit
- Use of the law to confiscate assets for the benefit of the clientelist circle
- Use of force and fear to discourage market competition by taking advantage of legal uncertainty
- Use of tax revenue to support the kleptocratic system

A) The use of autonomous state agencies by the family or clan for self-enrichment or the enrichment of the circle of power.

For example, the use of Albanisa and Petronic companies by the Ortega family to handle oil imported from Venezuela has been a clear case of misuse of state enterprises by family members in government. In exchange for a

concession given to the telecommunications company Xinwei, members of the Ortega-Murillo family received 30% of shares in exchange.⁴ Private individuals have been used as signatories, directors, and shareholders of companies that enable the regime’s opaque transactions and are rewarded with government procurement contracts.

B) The use of the law to confiscate assets for the benefit of the clientelist circle

Confiscations of universities, confiscation of business, and personal property based on the law of self-determination are not only examples of lack of due process of law but also of arbitrary abuse of authority. The confiscation of prominent business leaders’ properties worth hundreds of millions of dollars⁵ are emblematic examples to how the private sector is under threat of imprisonment, confiscation or both. Most of the owners who have had their business confiscated remain silent out of fear of prison or exile.

C) The use of force and fear to discourage market competition by taking advantage of legal uncertainty

Many businesses have decided to leave the country, sell, or disinvest. Some businesses, after being attacked or threatened by the government, have opted to sell. When pro-government talk show radio host William Grigsby attacked⁶ several businesses and suggested that the government should imprison or confiscate, investors started to sell or leave Nicaragua.

D) The use of tax revenue to support the kleptocratic system

Business tax extortion and increased dependence on indirect tax collection from remittances sent from more than 900,000 monthly transfers (doubling the number since the political crisis as a result from migration) is a key method of sustaining public spending. Additionally, workers in the Free Trade Zones have complained that, although money is removed each month from their paycheck, it is not recorded as such in the Instituto Nicaragüense de Seguridad Social (INSS).⁷ Likewise, wage garnishment has been employed by the Ortega-Murillo government as an additional source of revenue. For example, in the recent purges of judicial officials (mentioned above), the dismissals of over 900 employees were given without accompanying severance payments.⁸

The Use of External Borrowing to Benefit the Economic and Political Elite

In addition to the four prongs characterizing state capture, the regime has resorted to external borrowing as a means of maintaining stability and supporting the provision of economic favors. Moreover, it has chosen to invest in activities that go in contrast with the development needs of the country.

The government has sustained its public spending through three major sources: remittances (through the tax generated by the value-added tax); tax extortion of formal enterprises; and foreign debt. While foreign assistance has declined resulting from the country's radicalization,

including the gradual closure of international cooperation, the regime has expanded its indebtedness, which now reaches almost 60% of national income.

In fact, external borrowing has been perceived as a political vehicle of the government, and therefore, both the NICA and RENACER Acts in the United States have included mechanisms to monitor and stop any non-humanitarian financing. The rationale is quite logical. Government indebtedness has not been consistent with national development plans whose primary focus should be human and social development.⁹

TABLE 1: ANNUAL EXTERNAL BORROWING AND UNILATERAL TRANSFERS (GRANTS)

Source: Central Bank of Nicaragua; Execution of Public Investment Program. *Donations or unilateral transfers from abroad.

Year	Annual Indebtedness (US\$,000,000)	Other Transfers* (US\$,000,000)	Public Debt as Share of GDP	External Debt as Share of GDP
2016		348		91%
2017	504	176	46%	
2018	404	110		
2019	329	76		
2020	678	38	59%	
2021	849	36		
2022	319	31		
2023	450	9	55%	104%

A Country that Needs Social Inclusion: The Case of Education

Nicaraguans still lack access to a good education, advanced technology, technical training, and opportunities to compete and innovate. School retention rates are mediocre and enrollment at the national level has not increased since 2018.

TABLE 2: SCHOOL ENROLLMENT IN NICARAGUA

Source: Ministerio de Educación de la República de Nicaragua (MINED)

Education Level	2019	2021	2022	2019-2022
Primary		964,272	951,650	(12,622)
Secondary		546,428	531,856	(14,572)
Early education		263,528	254,104	(9,424)
Total	1,704,663	1,774,228	1,737,610	(36,618)

UNESCO tests from 2019 have shown that Nicaragua lags behind the rest of Latin America. When compared to 2013 tests, students have not improved their knowledge in mathematics, science, or language arts. A one percent increase in science was registered over the course of six years, with a 10 point increase in mathematics (while other countries recorded more than a 15 point increase). Meanwhile, in the rest of the world, knowledge is progressing. In the modern world, algebra is taught starting in fifth grade – in Nicaragua, it is not. In 2024, the situation is the same if not worse and in terms of innovation, the country is falling behind. For example, access to 3D printers is limited and there is still a strong dependence on paper printing while the rest of the world is orienting itself to reading digitally. Nicaragua’s neighbor, Costa Rica, is a global leader in 3D printing, specifically in the production of functional and complex goods.

While Costa Rica has registered an average of 10 patents per year since 2010, Nicaragua has registered a maximum of one per year. The result is a labor force that continues to be ranked low, has a low level of education, and has low input. Universities, spaces where knowledge flourishes and grows, have become barren of scientific advances, yet fertile in political indoctrination.

It is not beans, beef, or bananas that will generate the highest possible wealth and wellbeing, but rather skilled labor that integrates functionality and complexity to generate added value in production.

Gains in human capital in Nicaragua have not been achieved, have stayed the same, and have even decreased for women in the country. For example, mathematics tests have shown that girls have demonstrated less knowledge than their male counterparts. The Human Development Index shows that Nicaragua’s ranking has decreased over the past 30 years and that gender disparities prevail. This can be seen in the fact that women’s per capita income is only 50 percent of their male counterparts.

In a country where half of the population are women, it should come as no surprise that when women are deprived of education and training, the economy at-large suffers. This impact is even greater seeing that Nicaragua is a country of single mothers – the majority of which are in the informal economy and whose economic burden is much greater. Overall, the size of the informal economy has grown, despite outmigration since the political crisis, signaling that government spending has not addressed social inclusion or formal employment.

It is not beans, beef, or bananas that will generate the highest possible wealth and wellbeing, but rather skilled labor that integrates functionality and complexity to generate added value in production.

Funding Infrastructure over Social Inclusion

Despite these social problems, the Nicaraguan government prioritized investment in activities that contrast with the development needs of the country. More than three quarters of public investment is carried out in the form of public works, largely road construction.

Moreover, Nicaragua has increased its external debt from international financial institutions like the Central American Bank for Economic Integration (CABEI) to build or expand roads in areas that benefit few. Funding has been redirected to public works mostly at times of limited social inclusion in a country with significant resource scarcity.

Public investment spending related to public works doubled from 29% to 54% between 2017 and

2023. Similarly, the police and defense budgets increased from 3.7% and 2.7% of spending to 10.6% and 3.2% of the national budget during the 2017-2022 period.¹⁰ Government spending in education remained the same.

When it comes to public investment, the government has spent more than 50% of its debt on the Construction Ministry's road construction, pouring US\$1.2 million per kilometer while it spends less than US\$250 per student in education.¹¹ These self-enriching investment decisions are made by retired military officers who continue to support the dynasty. Lastly, some of these constructions go into areas that benefit economic enclaves rather than the entire territory, as is the case of road construction to mining areas.

TABLE 3: LABOR FORCE IN NICARAGUA

Source: Banco Central de Nicaragua (BCN)

Year	Labor Force	Labor Force (Migr. Excl.)	Formal Workers	FTZ Workers	Formal Growth without Crisis	Informal Workers	Informal Growth	Migration	Wages	Basic Food Basket
2017	2,905,597	2,877,597	914,196	116,062	915,553	1,963,401	68%	28,000	\$341	\$437
2018	2,952,156	2,872,156	818,396	122,010	947,311	2,053,760	72%	80,000	\$345	\$420
2019	2,998,413	2,898,413	735,236	122,535	971,739	2,163,177	75%	100,000	\$347	\$422
2020	2,968,394	2,943,394	714,465	113,586	964,482	2,228,929	76%	25,000	\$315	\$417
2021	3,042,491	2,881,222	757,548	125,833	983,560	2,123,674	74%	161,269	\$311	\$459
2022	3,072,916	2,722,916	787,428	132,076	1,001,156	1,935,488	71%	350,000	\$301	\$518
2023	3,075,989	2,950,989	785,000	130,016	1,040,000	2,165,989	73%	125,000	\$315	\$540

TABLE 4: NICARAGUAN GOVERNMENT INVESTMENT BY PUBLIC ENTITY

Source: National Public Investment System

Category	2017	2021	2022	2023
Ministry of Transport and Infrastructure	29%	41%	58%	54%
Ministry of Health	7%	13%	9%	4%
Nicaraguan Company of Aqueducts and Sewers	12%	10%	19%	21%
National Electricity Transmission Company	9%	8%	4%	4%
Transfers to Municipalities	25%	6%		
Ministry of Finance and Public Credit	1%	5%	3%	2%
Ministry of Education	4%	3%	1%	0%
Ministry of Energy and Mines	1%	2%	3%	
Mayor's Office of Managua	2%	2%		
Ministry of the Interior	1%	1%		
National Police	1%	1%		
Urban and Rural Housing Institute	<1%	1%	<1%	2%
Nicaraguan Electricity Company	2%	1%	<1%	
National Port Company		1%		12%
Nicaraguan Sports Institute	<1%	1%		
National Technological Institute	1%	1%		
Emergency Social Investment Fund	1%	1%		1%
Others	4%	2%	1%	

Another Problem: Lack of Compliance to Contractual Clauses

Apart from this contradiction between social and other investments, the country's legal compliance with these loans raises many questions. An analysis of 10 loans acquired between 2018 and 2021 totaling more than US\$1.2 billion, based on a review of four indicators of their compliance with loan covenants and development, shows little adherence to them.¹²

These loans do not exhibit transparency in accountability, and even the financial institutions do not provide sufficient information on the execution of their own covenants. As part of this investigation, CABEL officials were consulted for information on these loans, and the response was that they would consider responding within two months but did not.

The findings show a systemic lack of transparency in these loans, to the extent that there is no information on

the use of the loan in real-time or at least in a prudential period on the part of the lending entities, especially CABEL. In addition, the lack of access to information by the Nicaraguan regime leaves no possibility for the accountability that all public policies should have, especially international loans that must be repaid by future generations.

Illustratively, the lack of access to information was exacerbated during the COVID-19 crisis, when the state of Nicaragua never acknowledged that the country was going through a health emergency and yet still requested health funds to address the pandemic. In terms of the environment and the protection of indigenous peoples, these two aspects are reflected in the loan contracts, summarized only in the scope of the project, but there are no mechanisms that link these to government actions against violations of both aspects. In the year 2021 alone, 15 murders of community environmental defenders were registered, which were duly documented and denounced, yet accountability is absent.¹³

Additionally, the tendering of contracts with the state for the execution of these projects, especially in infrastructure, is concentrated to a few companies through bidding

processes that are not transparent. In Nicaragua, given the prevalence of institutional corruption, there are no official complaints against them, but some have been investigated and their executives prosecuted, as is the case of MECO in Costa Rica. More recently, a large construction company was removed from the market and even had equipment and staff removed from the business through government

procedures all while their property was transferred to third parties allied to the government.

The appendix at the end of the document also points to questions as to the extent to which other borrowers are compliant to the contractual clauses, particularly in the cases of El Salvador, Honduras, as well as Nicaragua.

TABLE 5: CASE STUDY OF LOANS TO NICARAGUA

Contract	Title	Purpose	Quantity	Year
1. CABEI Loan Agreement 2122	Integrated Sectoral Program for Water and Human Sanitation of Nicaragua	Public Works	\$100,069,300.00	2014
2. CABEI Loan Agreement 2222	Improving the Technical and Operational Capabilities of Corinto Port	Public Works	\$163,200,000.00	2018
3. Loan Contract BM 6804-NI[10] and extension	Support for the public health service providing pandemic care for COVID-19	COVID	\$20,000,000.00	2020
4. CABEI Loan Agreement 2266	Integrated climate action to reduce deforestation and strengthen resilience in the BOSAWÁS and Río San Juan Biospheres	Environment	\$108,360,008.00	2021
5. CABEI Loan Agreement 2272, tranches A and B.	Strengthening the Capacity for Care in the Hospital Service Network in Prioritized Health Units	Health	\$96,110,651.38	2021
6. CABEI Loan Agreement 2278	Support for Implementation of the COVID-19 Vaccination and Care Deployment Plan	COVID	\$100,000,000.00	2021
7. CABEI Loan Agreement 2283	Environmental Sanitation Program on the South Shore of Lake Managua	Health	\$150,549,270.00	2021
8. CABEI Loan Agreement 2291	Road Expansion and Improvement	Public Works	\$382,580,372.14	2022
9. IDB Loan Agreement 5088 BL/NI	Immediate Public Health Response to Contain and Control Coronavirus and Mitigate its Impact on Service Delivery	COVID	\$43,000,000.00	2022
10. Loan Contract BM 6804-NI: extension	Support for the public health service providing pandemic care for COVID-19	COVID	\$116,000,000.00	2022

Inheriting a Burden Shaped by State Capture

International financial institutions must consider a stronger commitment to linking financing with and a holistic approach to development. CABEL’s contributions to meeting Central America’s needs have come in large sums yet it seems that compliance to loan commitments and contractual clauses have yet to be met.

The lack of scrutiny of international loans, the increase of family remittances resulting from push factors that generate forced migration (which draws 20% of tax income through value-added tax), and tax extortion present a clear and dark picture of state capture. The government’s reliance on external financing increased from 46% to 56% of GDP between 2017 and 2023 with nearly US\$9 billion in

TABLE 6: LOANS GRANTED BY THE INTERNATIONAL COMMUNITY (US\$,000,000)

Source: Ministry of Finance and Public Credit, General Directorate of Public Investment.

Donor	2017	(%)	2021	(%)	2022	(%)	2023	(%)
National Funds	382.33	53%	296.7	32%	310.4	56%	221.6	56%
CABEL	155.12	21%	290.56	31%	363.0	66%	275.5	50%
IDB	86.09	12%	199.44	21%	78.5	14%	24.1	4%
Spain	18.89	3%	5.2732	1%	1.3	0%	0	0%
World Bank	18.07	2%	30.17	3%	42.7	8%	10.4	2%
OPEC	12.75	2%			9.4	2%	12	2%
European Union	15.79	2%	13	1%	4.3	1%	2.7	0%
Germany - KFW	3.8	1%	2.24	0.20%	1.4	0%	0.6	0%
European Investment Bank	9.98	1%	32.477	3%	16.3	3%	1.9	0%
The Netherlands	6.49	1%				0%		0%
Republic Of Korea	5.34	1%	11.42	1%	17.0	3%	0.6	0%
Germany - GIZ	0.21	0%						
Canada	2.85	0%						
Nordic Development Fund	1.73	0%						
Japan	3.48	0%						
Luxembourg	2.25	0%						
Switzerland - SDC	0.01	0%						
Others (Kuwait, India, Taiwan)				6%	11			
Total (US\$ million)	725.2	100%	936.6	100%	855.1	100%	546	100%
CABEL as a Percent of All Other Lenders		45%		68%		67%		84%

public debt. This situation is enhanced given the fact that Nicaragua just expanded her dependence on other lenders, China, in particular, with whom signed a loan agreement for more than US\$482 million.¹⁴

Financing occurs with a strong dependence on CABEL, whose share of the total financed to Nicaragua has increased from 21% to more than 42%. Other multilateral entities such as the Inter-American Development Bank (IDB) and the World Bank (WB) also continue their support in areas outside the national development and health plan, amid a political crisis and an extremist radicalization of repression.

This debt is not benefiting Nicaraguans, but rather consolidating the system of state capture.

Moreover, the amount of state funds spent on debt amortization to CABEL is almost 60% of all of Nicaragua's amortizations, even though its debt to CABEL is 27% of total external borrowing. The disproportional payments reflect the excessive borrowing of the past few years, which increased from US\$740 million in 2017 to US\$2.8 billion in 2023. Nicaragua has budgeted US\$576 million in CABEL loans 2024.¹⁵

Therefore, external lending to Nicaragua by international financial institutions contradicts their own commitments to control state capture. International financial institutions and the international community at-large need to scrutinize, monitor, and audit each loan it currently provides to the regime and ensure the government is held responsible for meeting the contractual clauses within every loan it obtains.

TABLE 7: EXTERNAL BORROWING IN CENTRAL AMERICA

Source: [CABEL](#); World Development Indicators (WDI), as of 2024.

Country	CABEL	External Debt	(%)	Debt/GDP	Service	CABEL Service/GDP
Costa Rica	\$1,370,000,000	\$38,946,101,900	4%	56%	5	0.30%
El Salvador	\$1,398,000,000	\$21,299,072,240	7%	66%	21	1.70%
Guatemala	\$866,000,000	\$24,991,586,620	3%	26%	2	0.00%
Honduras	\$1,290,000,000	\$12,608,788,820	10%	40%	5	0.50%
Nicaragua	\$3,383,000,000	\$14,867,213,390	23%	95%	10	2.70%
Dominican Republic	\$1,027,000,000	\$48,242,931,250	2%	42%	4	0.10%

FIGURE 1: NICARAGUA'S EXTERNAL DEPENDENCE ON CABEI, 2016-2023

Source: Banco Central de Nicaragua

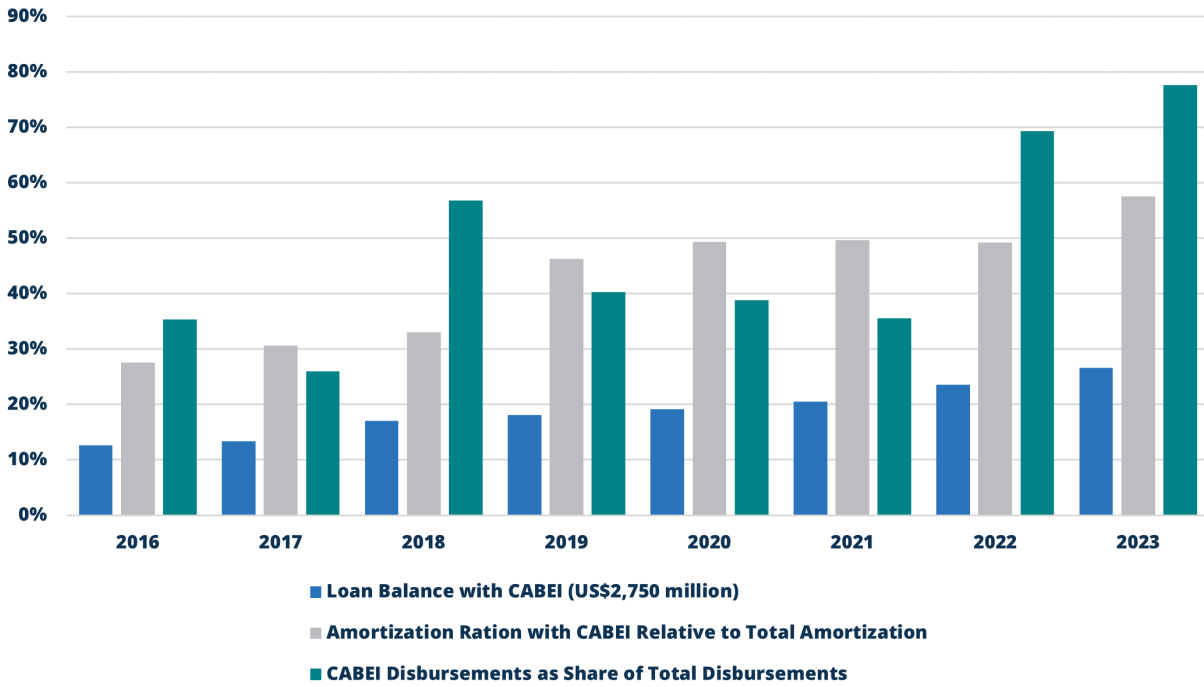


FIGURE 2: CABEI LOAN DISBURSEMENTS AND AMORTIZATION (US\$,000,000)

Source: Banco Central de Nicaragua

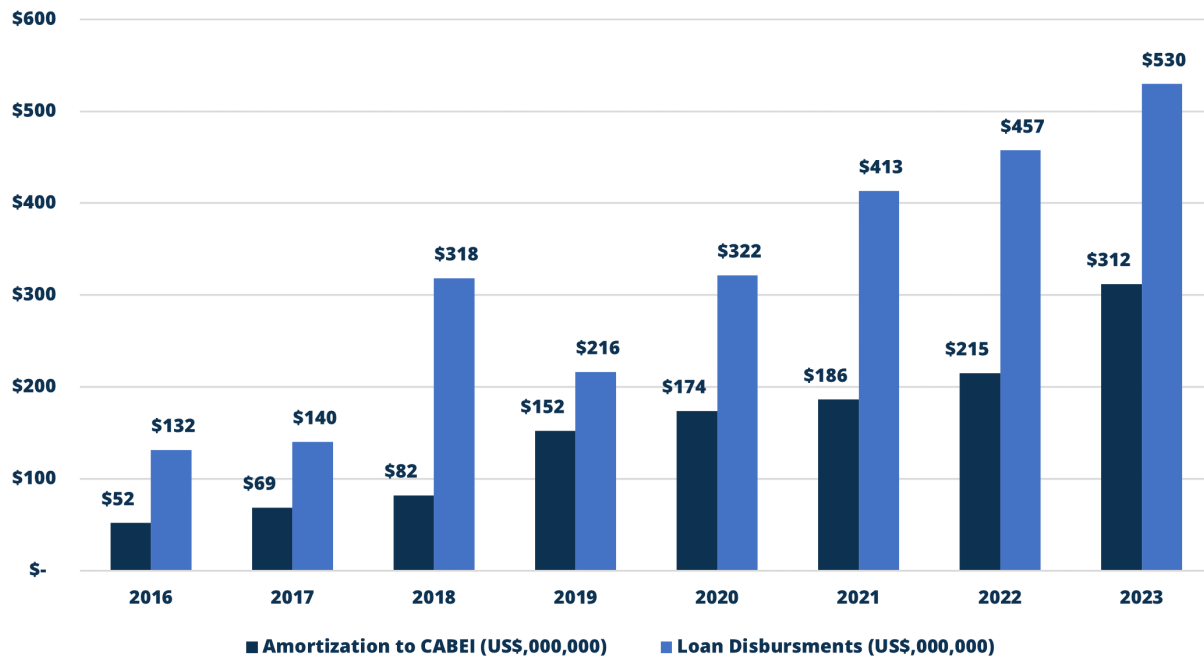


FIGURE 3: REMITTANCES CONTRIBUTION TO TAXES IN NICARAGUA

Source: Banco Central de Nicaragua

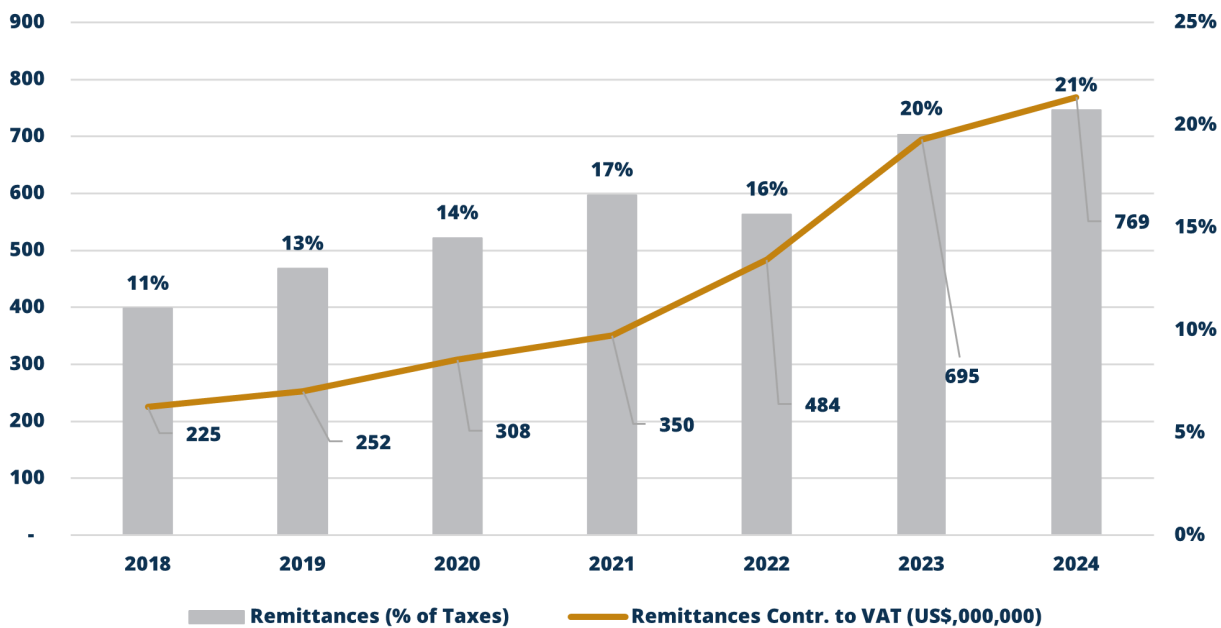
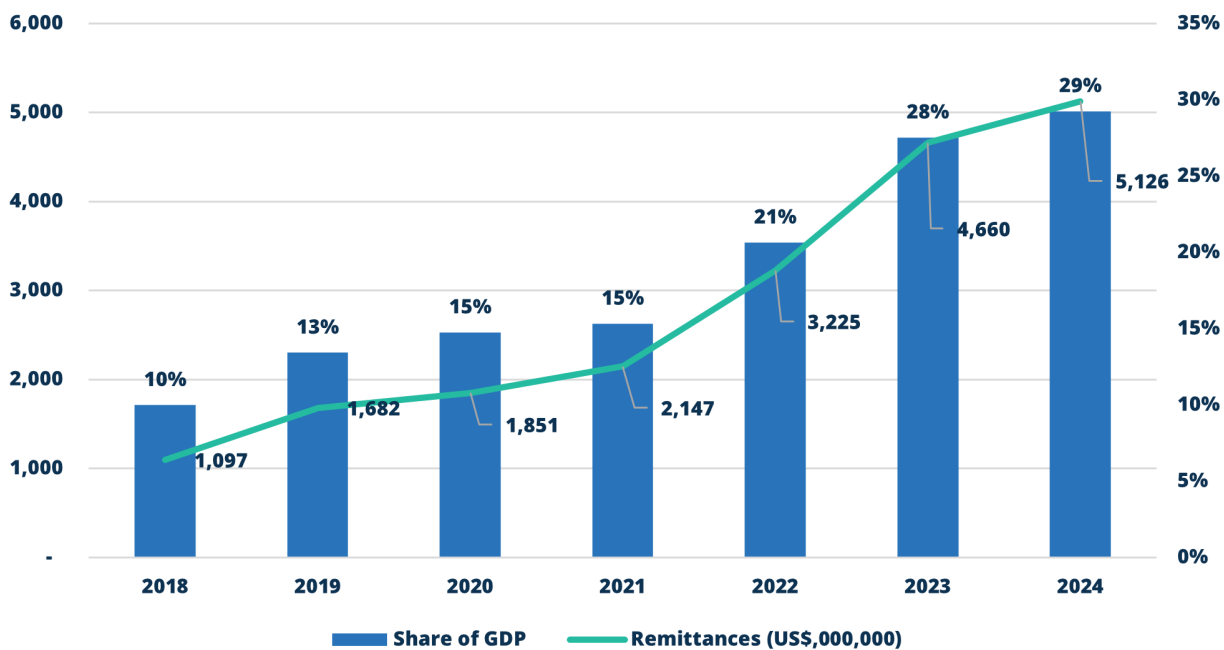


FIGURE 4: REMITTANCES TO NICARAGUA

Source: Banco Central de Nicaragua



APPENDIX: CONTRACTUAL CLAUSES FROM OTHER CABEI LOANS³¹

Loan (Year)	Country	Clause	Category	Requirement	Risk(s) of Non-compliance
2297 (2022)	Honduras	9.12 Obligaciones Especiales y Autorizaciones en el Marco de la Prevención de Lavada de Activos, Financiamiento al Terrorismo, Proliferación de Armas de Destrucción Masiva, Integridad y Sanciones	Energy	CABEI can report any instances of money laundering, terrorist financing or other illegal acts to corresponding authorities.	<ul style="list-style-type: none"> Honduras's Corruption Perceptions Index (CPI) rank has been steady at 154th (out of 180 countries scored)¹⁶ Two former presidents have been accused of diverting US\$12 million in public funds for political purposes¹⁷ Despite recent progress¹⁸, legal reforms since 2020 that have allowed impunity for illicit acts and money laundering
2271 (2021)	Honduras	9.09 Adquisición de Bienes y Servicios	Public Health	Comply with CABEI procurement policies except when contracting directly with the Pan-American Health Organization (PAHO) or for vaccine acquisition	<ul style="list-style-type: none"> Some public health programs in Honduras during the COVID-19 pandemic were not carried out to completion, and procurement measures were removed.¹⁹ During the COVID-19 pandemic, vaccines were an entry point for questionable practices and had negative effects on public health and vaccination rates.²⁰ Honduras' vaccination rate throughout the pandemic was worse than all of Central America second only to Guatemala.²¹
2282 (2021)	Honduras	9.04 Contabilidad	Transparency	Keep sufficient accounting records in line with generally accepted accounting principles in Honduras	<ul style="list-style-type: none"> Honduras's Corruption Perceptions Index (CPI) rank has been steady at 154th (out of 180 countries scored)²² Two former presidents have been accused of diverting US\$12 million in public funds for political purposes²³ Despite recent progress²⁴, legal reforms since 2020 that have allowed impunity for illicit acts and money laundering

2243 (2021)	El Salvador	9.09 Cumplimiento de Planes Ambientales y Sociales y Entrega de Instrumentos de Evaluación de Impacto Ambiental y Social	Infrastructure	Provision of right of way acquisition plan that documents the property purchased for roadway construction	<ul style="list-style-type: none"> Recent (2021) legal framework allows for expropriation with little guarantees for property owners²⁵ and allows projects to move forward regardless of whether complaints are filed and before owners are compensated
2240 ²⁶ (2021)	El Salvador	9.09 Cumplimiento de Planes Ambientales y Sociales y Entrega de Instrumentos de Evaluación de Impacto Ambiental y Social	Security	Provision of “Plan de Capacitación en Derechos Humanos, uso de la fuerza y armas de fuego” (Training Plan for Human Rights, Use of Force and Firearms) along with evidence of implementation	<ul style="list-style-type: none"> Widespread human rights abuses by security forces. El Salvador’s state of exception since 2022 Erosion of human rights protections under Pres. Bukele’s administration²⁷
2296 (2022)	El Salvador	9.09 Adquisición de Bienes y Servicios	Energy	External and independent audits paid for by the host government are subject to national laws.	<ul style="list-style-type: none"> El Salvador’s Corruption Perceptions Index (CPI) is low (126th out of 180) and has been getting worse since 2020²⁸ Ex-presidents²⁹ and ministers³⁰ have engaged in embezzlement schemes
2122 (2021)	Nicaragua	Sección 9.09: Adquisición de Bienes y Servicios	Water and Sanitation	To partially finance the Project, “Mejoramiento y Ampliación de los Sistemas de Abastecimiento de Agua Potable y Saneamiento en 19 Ciudades” (Improvement and Expansion of Drinking Water and Sanitation Supply Systems in 19 Cities), also called the Programa Integral Sectorial de Agua y Saneamiento Humano de Nicaragua (PISASH) (Integrated Sectoral Program for Water and Human Sanitation of Nicaragua), which oversees the Empresa Nicaragüense de Acueductos y Alcantarillados (ENACAL) (Nicaraguan Company of Water Systems and Sewage).	<ul style="list-style-type: none"> Noncompliance with bidding processes during the contracting period. Lack of quality in the goods and services delivered.
2222 (2021)	Nicaragua	Sección 9.10: Cumplimiento de planes ambientales	Infrastructure	Project of the Republic of Nicaragua, “Mejoramiento de las Capacidades Técnicas y Operativas de Puerto Corinto,” (Technical and Operational Capacity Building Project in Puerto Corinto)	<ul style="list-style-type: none"> Noncompliance with bidding processes during the contracting period. Lack of quality in the goods and services delivered.

2266 (2021)	Nicaragua	Sección 9.10: Cumplimiento de planes ambientales	Environment	<p>"BIO-CLIMA" Project of the Republic of Nicaragua, "Acción Climática Integrada para Reducir la Deforestación y Fortalecer la Resiliencia en las Reservas de Biosfera Bosawás y Río San Juan," (Integrated Climate Action to Reduce Deforestation and Strengthen the Resilience of the Bosawás and San Juan River Biosphere Reserves)</p>	<ul style="list-style-type: none"> Lack of state action in preventing the displacement of indigenous communities and foresting and mining authorizations in protected areas.
2272 (2021)	Nicaragua	Sección 7.1: Ilegalidad	Public Health	Care Capacity Strengthening for the Hospital Service Network in Priority Health Units	<ul style="list-style-type: none"> Loss of guarantees alongside irreversible environmental incidents
2278 (2021)	Nicaragua	Sección 9.09: Adquisición de Bienes y servicios	Public Health	Support for the implementation of the "Plan de Despliegue de Vacunación y Atención de la COVID-19 en la República de Nicaragua" (COVID-19 Vaccination and Care Deployment Plan for in the Republic of Nicaragua)	<ul style="list-style-type: none"> Noncompliance with bidding processes during the contracting period. Lack of quality in the goods and services delivered
2283 (2021)	Nicaragua	Sección 9.09: Adquisición de Bienes Y servicios	Water and Sanitation	Program for the Cleanup of Lake Managua in Ribera Sur	<ul style="list-style-type: none"> Noncompliance with bidding processes during the contracting period. Lack of quality in the goods and services delivered.
2291 (2021)	Nicaragua	Sección 9.09: Adquisición de Bienes y servicios	Infrastructure	Road Expansion and Improvement Program of the Republic of Nicaragua.	<ul style="list-style-type: none"> Noncompliance with bidding processes during the contracting period. Lack of quality in the goods and services delivered.
2298 (2022)	Nicaragua	Sección 9.12: Disposiciones antifraude y anticorrupción	Energy	Temporary Support Program of the Republic of Nicaragua during the Fuel Crisis.	<ul style="list-style-type: none"> Fraudulent practices in the application of fuel subsidies that allow for the self-enrichment of distributors throughout the supply chain. This enrichment is not the result of supply and demand rather the manipulation of market conditions.

Endnotes

1. <https://www.imf.org/external/pubs/ft/fandd/2001/09/hellman.htm>
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