

---

**REPUBLIC of NICARAGUA**

**Multi-annual Indicative Programme 2021-2027**

---

## **1. The overall lines of the EU international cooperation in the partner country/region**

### **1.1. Basis for programming**

Nicaragua's current National Development Plan 2012 – 2016 (NDP) presents the country's overall policy priorities and objectives. The plan has not been updated since 2016 but planning frameworks have subsequently been developed, including "Commitments of Good Governance"<sup>1</sup> (2017-2021), which contains an extensive number of social targets, as well as the "National Human Development Agenda" (2018-2021)<sup>2</sup>. NDP's policies and targets are not linked to the National Budget. In the authorities' view, the 2012-2016 version of the NDP remains relevant as a general strategy with revised higher quantitative targets. As the NDP was initially released in 2012, it is not necessarily aligned with the Sustainable Development Goals (SDGs), although the government does generally commit to the 2030 Agenda.

Although the plan lacks the up to date detail required to be an adequate basis for the upcoming EU programming, its priorities continue to be relevant for the 2021–2027 period as confirmed by the government, which recommends a continuation of the EU's Multi Annual Indicative Plan (MIP) 2014-2020 priorities. The NDP has therefore been used as a general reference for the identification of priorities in this document, complemented by existing analysis and exchanges with government, and extensive consultations with private sector, civil society and other international actors.

In terms of the areas identified, environment and climate change is one of the key priorities for the Nicaraguan government, included in the National Development Plan (NDP) as a priority program "Protection of Mother Earth, adaptation to climate change and comprehensive disaster risk management", and further elaborated in the National Climate Change Policy (2019). There is a direct link between the New European Consensus, and one of its main axes "Protecting the environment, managing natural resources and fighting climate change" and the new Green Deal strategy. The government's focus on climate change as a key priority has grown recently, as demonstrated during the 2020 EU27 - Latin America and Caribbean Informal Ministerial Meeting.

Nicaragua, in its NDC report under the Paris Agreement, commits to face climate challenges through adaptation and mitigation measures that include institutional strengthening actions, dialogue models, alliances, restoration of hydrographic basins with emphasis on ecosystem management, conservation of biodiversity, and the comprehensive management of water resources. The latter is consistent with EU guidelines on human rights for drinking water and sanitation (2019), which recall that water is a fundamental basis for resilience, both for societies and for the environment. The EU's support will be essential to comply with the commitments of the 2030 Agenda, Nicaragua's National Climate Change Policy, and the Green Deal framework, which focuses on building equitable societies for the most vulnerable and, in particular for women and other marginalised groups under the principle of "leave no one behind".

---

<sup>1</sup> [Compromisos de Buen Gobierno 2017-2021 | SITEAL \(unesco.org\)](https://www.unesco.org/education/governance)

<sup>2</sup> [Gobierno Sandinista diseña ejes del Programa Nacional de Desarrollo Humano 2018-2021 - LVDS \(lavozdelsandinismo.com\)](http://lavozdelsandinismo.com)

As far as inclusive and sustainable economic growth is concerned, it is worth noting that Nicaragua's economy relies heavily on the exploitation of its natural resources and the export of agricultural products. The agricultural sector has continued to expand in the current economic recessionary period (2018 – 2020), in sharp contrast to the decline observed in all other sectors of the economy. However, agriculture does not equally benefit all Nicaraguans working in the sector, with large companies taking home most of the profits from the sector. Nicaragua also faces key challenges related to food safety and quality and value chains integration.

The EU Farm to Fork Strategy<sup>3</sup> provides the main policy context for a transition towards a sustainable, inclusive and green system, in line with the objectives of the European Green Deal. It provides an appropriate framework to address the bottlenecks along the food value chains. Restoring soils, reducing pesticides and antibiotics, meeting food safety standards, and improving water management are key goals for Nicaragua's production systems. The Farm to Fork Strategy is pivotal for achieving both the Green Deal and the SDGs, has potential links with the Circular Economy Action Plan (CEAP) and the EU biodiversity strategy. Food security and safety and economic growth are closely interlinked in Nicaragua.

A key obstacle for transitioning to a greener economy and the adoption of sustainable consumption and production practices is a lack of knowledge and understanding of modern, efficient production methods that are harmonious with the environment. In the case of smaller producers and farm workers the low literacy level and skill are an additional challenge, as the average years of schooling in Nicaragua remains slightly above completion of primary education (6.5 years in 2019).

All actions taken under this programming exercise shall comply with EU legislation, in particular EU restrictive measures (sanctions) adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union.<sup>4</sup>

## **1.2. Status of joint programming**

The EU and its Member States present in Nicaragua carried out a Joint Programming exercise for 2015-2018. The key results from this process were a joint analysis and an agreement over division of labour by areas or sectors. Given the limited presence of EU Member States (Italy, France, Germany, Luxembourg and Spain have embassies in Managua) and cooperation agencies (AECID, Lux Dev and GIZ), the EU invited two likeminded donors, Switzerland and Canada, present in the country to participate in the exercise. Switzerland has joined the planning process for the proposed MIP and there is potential to increase and deepen joint programming for this cycle, based on the experience of collaborative work, particularly since 2018, the Team Europe cooperation garnered in the context of the response to COVID-19 and the humanitarian response to the impact of the 2020 hurricanes (Eta and Iota). Joint programming will continue to be pursued in Nicaragua, including through the regional TEIs that will complement these efforts as an increasing number of MS will work at that level.

In addition synergies with other EU programmes operating in the regional area will be sought where relevant, such as for the European Regional Development Fund (ERDF).<sup>5</sup>

---

<sup>3</sup> COM(2020)381

<sup>4</sup> EU restrictive measures (Regulation (EU) 2019/1716 and Regulation (CFSP) 2019/1720)

<sup>5</sup> The relevant services of the Commission shall discuss the implementing modalities and specific interventions to be used in the implementation of these priorities, pursuant to draft Regulations NDICI (article 33), OAD (articles 72(c) and 82(4)) and ETC (article 55), which will be reflected as appropriate in the relevant Annual Action Plans/measures and within the INTERREG programme.

### **1.3. Priority areas of the EU's cooperation with the partner country**

On the basis of EU global priorities, existing analysis and projections for Nicaragua, the EU's experience of over three decades of cooperation in the country, areas of joint interest with Member States and likeminded actors and participatory consultations carried out by the delegation over the past years, it is proposed to focus EU's cooperation in the country on two priority and complementary areas, namely environment and climate change and inclusive and sustainable economic growth. Cooperation in these areas is complemented by the EU support to global priorities such as civil society, human rights and democracy and peace and security, as well as collaboration to tackle global challenges.

In a fragile and volatile context such as Nicaragua, in which the number of potential implementing partners is limited, these two priority areas have been identified as those in which cooperation can still be undertaken at the technical level and have an impact on the most vulnerable populations. It allows for special attention to women, youth, indigenous people and Afro descendant ethnic communities across these priority areas with a view to addressing inequalities and support human development. They are also areas conducive to innovative approaches and solutions, the promotion and use of new technologies and digital opportunities. Mindful of the context's difficulties and volatility, a strong nexus between our humanitarian, development and peace and security interventions and a conflict sensitive approach are fundamental to the success of the MIP. Specific actions under these priority areas will be designed so that they are conducive to inclusive access by all to public services and goods. An integrated landscape approach will be sought to ensure synergies and increase effectiveness in the same geographical areas, with particular attention to most threatened areas.

### **1.4. Justification and context**

The EU has a strong interest to preserve regional stability, deepen regional integration and prevent migration-related tensions in the Central American region, out of the conviction and experience that intra-regional integration brings greater security, economic and social gains.

Nicaragua suffers from poverty and severe structural deficits in areas such as per capita income and production, education, environment, infrastructure, health and gender equality. It is one of the most unequal and least developed countries in the continent, and access to basic services remains a challenge. The country's vulnerability has been deepened by the deterioration of democracy and human rights since the socio-political crisis of April 2018. Since the crisis, the EU has reaffirmed its commitment to a democratic peaceful and negotiated solution, and to support the Nicaraguan people, including by helping strengthening the rule of law and promoting economic and social development for the most vulnerable, while avoiding politicisation of aid. The COVID-19 pandemic has further deteriorated the socio-economic situation and resulted in increased tensions. In November 2020, the two major hurricanes caused significant damages and compounded these challenges, particularly in the already vulnerable Caribbean and central north regions.

Although initially reluctant to sign the Paris Agreement, in 2018 Nicaragua adopted its NDC and confirmed the country's commitment to mitigation and adaptation, one of EU's main global priorities. The actions further described in this MIP will allow the EU to accompany Nicaragua's sustainable and economic growth, and to tackle climate change with a view to reduce the repercussions of climate effects on the most vulnerable societies and ecosystems in line with the NDC commitments under the Paris Agreement, the Agenda 2030 and the National Climate Change Policy. While there continues to be divergences in terms of human rights and rule of law issues between the EU and the government of Nicaragua, the MIP identifies two

priorities relevant to the context and where cooperation is possible on the basis of mutual interests, needs and objectives. All interventions need to be conflict sensitive and ensure careful selection of sectors, beneficiaries and geographical areas, have strong risk identification and mitigation strategies and strive to identify opportunities to support connectors for community resilience.

### Environment and climate change mitigation and adaptation

In Nicaragua, the combination of high exposure to natural disasters, climate change, poverty, and conflict, with few resources to adapt or increase communities' resilience as well as the recent COVID-19 pandemic, has reduced the survival capacity of local populations that depend heavily on natural resources. This situation translates into domestic and international migration, poverty, public health problems and environmental degradation. Therefore, addressing climate change from a mitigation and adaptation perspective is essential for the country's sustainable development and the implementation of its policies and NDC goals. The EU's international cooperation supports mitigation and adaptation measures in line with the Green Deal, the Paris Agreement and the Sendai Framework, with an emphasis on limiting adverse climate consequences closely linked to the country's national and regional commitments.

In the Second Sustainable Commission of the United Nations (2018), the Nicaraguan Government committed to the goals of the SDGs of the 2030 Agenda linked to climate change, namely SDG 6 (Clean water and sanitation), SDG 13 (Climate action) and SDG 15 (Life of terrestrial ecosystems), all of which are relevant to this priority sector and consistent with the EU framework. Environment and climate change is also a key area directly linked to other SDGs such as 2, 5, 7 and 14.

In a disaster prone region, Nicaragua ranks high for disaster and humanitarian crisis risks. Actions in resilience, disaster risk reduction and preparedness are an integral part of the priority sector and relevant to the EU's comprehensive approach. More specifically, disaster preparedness and early actions are aligned with EU policies and guidelines<sup>6</sup>, applying a Humanitarian-Development-Peace (HDP) Nexus approach<sup>7</sup>. As well as engaging in multilateral agreements as the Sendai Framework<sup>8</sup>.

### Sustainable economic growth

Nicaragua is one of the poorest countries in Latin America, with 47.1 per cent of the population living in poverty and 18 per cent in extreme poverty in 2019. However, in the past decade the country had achieved significant results in reducing poverty and child mortality, and in fulfilling the right to adequate food, among others. This progress was halted by the 2018 socio-political crisis and subsequently threatened by the COVID-19 pandemic, which has considerably reduced the availability of resources to fulfil economic and social rights. After a 4.6 per cent growth rate in 2017, since the socio-political crisis of April 2018, Nicaragua has witnessed three consecutive years of negative growth (2018, 2019, and 2020) with an estimated overall contraction of 15% or more of GDP. According to regional projections, the impact of the pandemic may have increased poverty and extreme poverty to 52.7 per cent and 22.8 per cent, respectively, in 2020, above the regional averages. Therefore, COVID-19 has further affected

---

<sup>6</sup> [https://ec.europa.eu/echo/files/policies/prevention\\_preparedness/DRR\\_thematic\\_policy\\_doc.pdf](https://ec.europa.eu/echo/files/policies/prevention_preparedness/DRR_thematic_policy_doc.pdf)

<sup>7</sup> [https://eeas.europa.eu/sites/eeas/files/join\\_2017\\_21\\_f1\\_communication\\_from\\_commission\\_to\\_inst\\_en\\_v7\\_p1\\_916039.pdf](https://eeas.europa.eu/sites/eeas/files/join_2017_21_f1_communication_from_commission_to_inst_en_v7_p1_916039.pdf)

<sup>8</sup> <https://www.preventionweb.net/sendai-framework/sendai-framework-for-drr>

a two-year economic contraction triggered in 2018, as social unrest generated job losses, a fall in consumer and business confidence and a decline in tourism and construction, two of the main economic sectors in Nicaragua. According to this projection, poverty is likely to be higher in 2020 than it was in 2001<sup>9</sup>.

In Nicaragua, agriculture is a key sector for contributing to several SDGs (1, 2, 5, 8, 12, 13 and 14). The reports on greenhouse gases highlight the fact that the main sources are related to land use, land use change and forestry. Promoting a transition to a greener agriculture will not only benefit food production, but also contribute to reaching the NDCs goals. A specific focus on value chains will help improve local access to and local consumption of nutritious food by all. Nicaragua's economy relies heavily on the exploitation of its natural resources (timber and minerals) and agricultural products. Even in the current economic recessionary period, agriculture has managed to grow, in contrast to the sharp decline observed in all other pillars of the economy.

In terms of human development, there are three aspects that need to be tackled in Nicaragua so that its human capital is prepared to address the country's development as well as other 21st century challenges such as migration, climate change, conflict and shifts towards digital economies: low education standards, equity and gender inequality, and the skills and jobs mismatch.

Nicaragua faces a learning crisis<sup>10</sup> that undermines human capital formation and productivity, particularly in vulnerable groups. According to the World Bank's learning poverty<sup>11</sup> indicator, 70 percent of children in Nicaragua at a late primary age today are not proficient in reading. The lack of foundational education limits the young population's capacity to acquire the competences, skills and knowledge needed for work and life to grasp new job opportunities in the green economy and for successful insertion in the labour market.

Regarding gender equality, there are still important challenges preventing women from accessing their rights. The Nicaraguan Gender Profile<sup>12</sup> concludes that women are still in disadvantage in most areas, including economic and social rights, participation and leadership, sexual and reproductive health, with worrying gaps in income, access to land, tools and knowledge and other productive resources, use of time or decision-making processes. Gender based violence is one of the country's greatest public health and security problems, affecting mainly children and girls under 18.

Moreover, it is in the EU's interest to support efforts by Nicaragua to effectively implement international labour conventions, (in particular those related to freedom of association C87, collective bargaining C98), as well as efforts to eradicate child labour and tackle informality. To this end, supporting efforts to reinforce Nicaragua's labour inspection capacity will also be necessary.

---

<sup>9</sup>[https://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session46/Documents/A\\_HRC\\_46\\_21\\_AdvanceEditedVersion.pdf](https://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session46/Documents/A_HRC_46_21_AdvanceEditedVersion.pdf)

<sup>10</sup> Khan, M. & Obiakor, T. (2020). Education in crisis. Background paper prepared for the Save Our Future white paper "Averting an Education Catastrophe for the World's Children. Save Our Future." <https://saveourfuture.world/white-paper/>

<sup>11</sup> Learning Poverty means being unable to read and understand a short, age-appropriate text by age 10. This indicator brings together schooling and learning. It starts with the share of children who haven't achieved minimum reading proficiency and adjusts it by the proportion of children who are out of school

<sup>12</sup> Nicaragua Gender Profile 2020

### **1.5. Duration of the MIP and option for synchronisation**

As the MIP is loosely aligned to the NDP for reasons described above, the duration of the MIP remains of 7 years for Nicaragua, with a first phase of four years and a mid-term review planned for 2024.

Without prejudice to the mid-term review, an ad-hoc review may be foreseen earlier for synchronisation with the country political cycle. The outcome of the 2021 elections has confirmed the persistence of repression of dissent and of organised civil society with a likely continued negative impact on the priorities and implementation modalities. EU and MS' cooperation will need to be adapted to the deteriorating cooperation environment in line with the EU's position. In this context, a high degree of flexibility will be required to take advantage of potential opportunities and/or respond to evolving scenarios in a more distant future.

## **2. EU support per priority area and proposals for Team Europe Initiatives**

### **2.1. Priority area 1 Environment and climate change adaptation/mitigation**

The MIP proposes a continuation of the EU support to Nicaragua's commitments to tackle climate change with a view to reduce the repercussions of climate effects on the most vulnerable societies and ecosystems in line with the NDC commitments under the Paris Agreement, the Agenda 2030 and the National Climate Change Policy. This priority sector is oriented towards three specific lines of action<sup>13</sup>:

1. Environmental protection/biodiversity: promotion of renewable energy and clean cooking, nature-based solutions and capacity building to strengthen the participation of local communities in response to climate change. In regards to the sustainable management of forests, coastal zones and fragile ecosystems, the approach will be based on good environmental governance as an effective conservation measure (OMEC), the sustainable management of natural capital and the development of ecosystem services such as carbon markets, to advance towards a model of green economic development and contribute to the SDG 15 (Life of terrestrial ecosystems), SDG 14 (Life Below Water) and to the biodiversity strategy under the Green Deal framework.
2. Water supply and sanitation, water resources conservation: the sector will focus on water resources management and conservation, access to water (infrastructure, monitoring and information systems, technological aspects and awareness), sanitation/hygiene and the development of local capacities, under the framework of a green recovery approach with low carbon emissions. This priority is correlated with SDG 6 (Ensure the availability and sustainable management of water and sanitation for all). The approach will be cross-sectoral, inter-institutional and multi-stakeholder with participation of civil society. In this sector, the EU will continue to work with the technical public organisations and local authorities, building on the work and results of humanitarian interventions where appropriate.

---

<sup>13</sup> They correspond to five DAC objectives: General environmental protection, biodiversity (DAC code 410), Environmental education and training (DAC 410), Water supply & sanitation, water resources conservation (DAC code 140), Disaster Risk Reduction (DAC code 430) and promote gender equality and women rights (DAC code 151).

3. Community resilience: disaster risk reduction, prevention and preparedness: Due to its geographical position, Nicaragua is a country of high risk and vulnerability to the effects of climate change, including droughts, hurricanes and flooding. Building on the progress achieved in the last years, the actions aim at improving processes or establish mechanisms for preparedness, prevention, resilience, green infrastructure, early warning systems and the developing of local capacities to act early and mitigate the effects. All interventions will adopt a community-based approach defining viable options to effectively help increase resilience and meet needs amongst the most vulnerable. Ecosystem-based approaches and nature-based solutions will be particularly promoted. With regards to the early warning systems, the approach will move beyond the traditional warning systems to impact-based forecasts<sup>14</sup>. There is a clear opportunity to complement actions at the regional level, supporting more efficient and effective coordination across borders.

Mitigating the impact of natural hazards and climate change, such as hurricanes, storm surges, extreme flooding and drought at the community level will also help prevent education shocks. Hurricanes, storm surges, extreme flooding and drought have historically, and also very recently, disrupted education services, putting the communities and physical facilities at risk, and resulting in lower school attendance, gaps in learning, and a higher dropout rate in rural areas.

Common themes in the three lines of action include:

- National governance regarding access to public information and justice in environmental matters (Escazú agreement);
- Free and Informed Prior Consultation of indigenous peoples (ILO Convention 169);
- Tackle inequalities by supporting the most vulnerable geographic areas and communities/groups;
- Civil society capacity building and participation;
- Rights based approach and respect for human rights;
- Gender equity and women empowerment, tackle structural causes of gender discrimination, gender stereotypes and masculinity;
- Innovation and digitalization, data generation, innovative mechanisms;
- Nature based solutions;
- Communication, statistics generation and information;
- Rights-based approach will be integrated in all actions, promoting meaningful access, and active participation.

The actions and interventions in this sector will contribute to the fulfilment of the following SDGs:

- SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- SDG 5 Achieve gender equality and empower all women and girls

---

<sup>14</sup> See e.g. WMO, 2015: WMO Guidelines on Multi-hazard Impact-based Forecast and Warning Services ([https://library.wmo.int/index.php?lvl=notice\\_display&id=17257](https://library.wmo.int/index.php?lvl=notice_display&id=17257)) and IFRC, 2020: The Future of Forecasts: Impact-Based Forecasting for Early Action (<https://www.forecast-based-financing.org/wp-content/uploads/2020/09/Impact-based-forecasting-guide-2020.pdf>).

- SDG 6 Ensure availability and sustainable management of water and sanitation for all
- SDG 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 13 Take urgent action to combat climate change and its impacts
- SDG 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- SDG 14. Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.

The sector emphasizes the link between the environment and vulnerable groups, especially the impact of climate change on the socio-economic rights of specific groups: women, youth, indigenous people and Afro descendant ethnic communities, under the principle of "leave no one behind". As such, fostering adaptive and resilient communities and investing in quality, climate-relevant education will help communities and, particularly youth in vulnerable areas to develop the skills and knowledge to take up climate-proof livelihood options, and to understand and counter climate change. National interventions will take into account a transboundary vision and regional complementary actions to the extent possible.

Key actors to tackle climate change:

*Indigenous people and Afro descendant ethnic groups* need to be considered as strategic allies for the development of mitigation and adaptation measures to climate change, since their territories still represent 51.3% of the national forest cover and 87.2% of the total surface of the 72 protected areas of the country. In addition, these territories cover 54.7% of the Caribbean coast of Nicaragua, which are often inaccessible or remote regions with the highest rates of poverty, inequality and vulnerability to hurricanes, floods and landslides. It is important to focus on the strengthening of governance, the rights of indigenous peoples and Afro descendant ethnic groups, and the promotion of their traditional customs as they constitute good practices for the protection and conservation of biodiversity and are closely linked to good environmental governance and is considered an Effective Measure of Forest Conservation (OMEC).

On the other hand, it is important to work in the indigenous territories on the integrated management of watersheds, especially because it is the Caribbean zone where the largest volume of water resources are found in the country and where most of the country's watersheds drain. This also means some challenges regarding the impact of climate change on water resources, linked to the change in climate patterns and the amount of rainfall, the increase in natural threats and the rise in sea level.

*Women:* women and girls are particularly affected in the country by the impact of climate change and environmental degradation such as loss of ecosystems, loss of access to key natural resources, malnutrition and diseases related to water. According to the UN, women and children are up to 14 times more likely to be affected by a weather-related disaster than men. Moreover, women also represent 80% of people displaced by the impact of climate change<sup>15</sup>. Climate change is also intersectional with women's sexual and reproductive health and rights. In particular, the lack of access to safe water distribution systems, which affects 49% of rural

---

<sup>15</sup> Ibid.

households nationwide and 76% on the Atlantic Coast<sup>16</sup>, as well as sanitation systems, affects the hygiene and health of women and leads to malnutrition. Also the use of firewood, used as cooking fuel by 82.3% of rural households<sup>17</sup> not only accelerates deforestation but also increases the risk of accidents and promotes the incidence of respiratory diseases and environmental pollution.

With regard to humanitarian crises and natural hazards, women, girls, boys, and men of all ages are affected by crises in different ways, and emergencies tend to exacerbate gender inequalities. The systematic incorporation of gender and age considerations is essential for quality programming. It ensures that interventions reach the most vulnerable, respond adequately to their specific needs and do no harm. To this end, the needs and capacities of different gender and age groups among targeted populations must be adequately assessed, and support must be adapted accordingly.

Civil society, private sector and academia, including both European and national entities, can and should play an essential role in raising awareness on climate change, mapping vulnerabilities and empowering local stakeholders and communities. Civil society has experience with vulnerable groups (indigenous people, Afro descendant ethnic groups and women and youth) and can play an effective role in preparing and helping communities undertake adaptive and mitigation actions to tackle climate change. Therefore, the EU will ensure their participation and involvement as local partners during the interventions.

Regarding possible risks, any further socio political crisis could impact project implementation, the EU will continue monitoring the situation and will have the flexibility to adjust the programmes according to developments and evolving needs and priorities, with particular attention to the selection of implementing partners and ensuring aid reaches those it intends and in a conflict sensitive manner.

There is a strong linkage between indigenous people's rights and environmental deterioration in the Nicaraguan Caribbean regions. Despite the fact that in 2003, a law was adopted to recognise just under 40,000 km<sup>2</sup> of collective land tenure, these communities face challenges, owing to the conflictual and illegal move of the agricultural frontier into protected forest areas supposedly under ownership of indigenous people, hence contributing to deforestation. When these communities lose their lands, they also face hunger and disease<sup>18</sup>. The EU's intervention should take into account indigenous peoples' organizations and promote human rights and access to services by indigenous peoples and afro-descendant ethnic groups.

Nicaragua is highly exposed to natural hazards and climate events, which could also affect the implementation of projects. EU collaboration will strengthen coordination for disaster prevention and emergency response networks with donors, ensuring a strong nexus between humanitarian aid and development cooperation. During emergencies, European Commission Humanitarian Office (ECHO) focuses on emergency health, shelter, food and water needs.

---

<sup>16</sup> Evaluación de impacto del componente I del proyecto de sostenibilidad del sector de agua y saneamiento rural en Nicaragua (PROSASR). Resumen de resultados 2015-2019

<sup>17</sup> FIDEG (2019). Informe de Resultados de la Encuesta Nacional de Pobreza.

<sup>18</sup>[https://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session46/Documents/A\\_HRC\\_46\\_21\\_AdvanceEditedVersion.pdf](https://www.ohchr.org/EN/HRBodies/HRC/RegularSessions/Session46/Documents/A_HRC_46_21_AdvanceEditedVersion.pdf)

Immediate assistance is usually supported and enhanced gradually by development funded interventions, in line with Grand Bargain commitments<sup>19</sup>.

### **Specific objectives related to the priority area**

- SO 1: To increase environmental and biodiversity protection for a sustainable ecological development and as a response to climate change
- SO 2: To strengthen inclusive conservation and sustainable management of water resources to adapt to climate related impact and inclusive access to water and sanitation
- SO 3: To increase community resilience with a disaster risk reduction, prevention and preparedness approach to face climate-related impact

### **Expected results per specific objective**

#### **SO 1:**

ER1. Alternative renewable energy sources are developed.

ER2. Promoted sustainable management of forests, fragile ecosystems and coastal zones for local socio-economic development with an effective community participation, and minimised deforestation and forest degradation.

ER3. Increased effectiveness of wildlife protection measures and improved knowledge in this sector.

#### **SO 2:**

ER1. Integrated watershed management implemented with a focus on adaptation to climate change and effective community participation, including drought management preparation.

ER2. Improved availability, accessibility and efficient use of water and resources, particularly in rural areas.

ER3. Improved access to the sanitation, clean water in particular and sewerage system, particularly in rural areas.

#### **SO3:**

ER1. Enhanced disaster risk reduction and local climate governance, including nature-based solutions and community preparedness, in the face of climate-related effects and disasters of natural or human-made origin (CCA/DRR).

ER2. Enhanced resilient capacities and sustainable infrastructure for disaster preparedness and response in hazard prone areas. Special attention will be given to women and indigenous people.

ER3. Enhanced early warning systems<sup>20</sup> and response capacities in areas/populations mostly prone to natural hazards and protracted crises.

---

<sup>19</sup> <https://interagencystandingcommittee.org/grand-bargain>

<sup>20</sup> Please see WMO, 2018: Multi-hazard Early Warning Systems: A Checklist: Outcome of the first Multi-hazard Early Warning Conference ([https://library.wmo.int/index.php?lvl=notice\\_display&id=20228#.Wri4c14zMt8](https://library.wmo.int/index.php?lvl=notice_display&id=20228#.Wri4c14zMt8), available also in Spanish).

## Indicators per expected result

E. R.	INDICATORS
Alternative renewable energy sources are developed.	Renewable energy generation capacity installed (MW) with EU support (EURF)
	% of households with access to clean cooking facilities (GAP)
Promoted sustainable management of forests, fragile ecosystems and coastal zones for local socio-economic development with an effective community participation, and minimised deforestation and forest degradation.	<p>Areas of terrestrial and freshwater ecosystems under a) protection b) sustainable management with EU support (ha) (EU RF)</p> <p># land management and territorial ordering plans elaborated with community participation with EU support</p>
Increased effectiveness of wildlife protection measures and improved knowledge in this sector.	# biological stations for biodiversity monitoring established in wildlife reserves with EU support
	# studies for endemic and native (fauna & flora) species monitoring published with EU support.
	Number of people (biological stations, personnel, local actors, community members) trained in the use of digital tools for biodiversity monitoring, with EU support (by sex)
Integrated watershed management implemented with a focus on adaptation to climate change and effective community participation, including drought management preparation	# comprehensive management of hydrographic basins plans elaborated with community participation with EU support
	Proportion of women in managerial positions in WASH groups supported by EU
Improved availability and efficient use of water and resources, particularly in rural areas.	Number of individuals with access to improved drinking water source with EU support, disaggregated by sex (EU RF-GAP)
Improved access to the sanitation, clean water in particular and sewerage system, particularly in rural areas.	Number of individuals with access to sanitation facility with EU support, disaggregated by sex (EU RF-GAP)
Enhanced disaster risk reduction and local climate governance, including nature-based solutions and community preparedness, in the face of climate-related effects and disasters of natural or human-made origin (CCA/DRR).	Annual average of fatalities per 100.000 inhabitants related to Climate Change
	Number of early warning and DRR task force members trained at local and regional levels, disaggregated by sex and age (EU)
	# of women and girls reached by programmes aimed at strengthening individual resilience and safety in the face of disasters (GAP)
Enhanced resilient capacities and sustainable infrastructure for disaster preparedness and response in hazard prone	# of community small-scale infrastructure and facilities built with EU support.

areas. Special attention will be given to women and indigenous people.	
Enhanced early warning systems <sup>21</sup> and response capacities in areas/populations mostly prone to natural hazards and protracted crises.	Number of people covered by a functioning early warning system developed with EU support Percentage of natural hazards monitored with EU support and informing decision making during the programming period Number of communication channels established with EU support for communication of warnings

#### Possible use of blending and guarantees for investment

We envisage potential interventions in this priority area using blending, across all three specific objectives. Possible partners are European Investment Bank (EIB), Central American Bank for Economic Integration (CABEI), the World Bank (WB) and the Inter-American Development Bank (IADB). Exploratory working level conversations have been held with all of them.

### **2.2 Priority Area 2- Inclusive and Sustainable Economic Growth**

Nicaragua continues to be a predominantly agricultural-based economy. Agriculture produces some of its key exports and is an important employer in the labour market. According to the Central Bank (October 2020), in the wake of the economic crisis, the agricultural sector was the only economic sector with a positive growth rate, while manufacturing, services, and even the mining sectors reported negative growth rates. By 2019, agricultural production represented 76 percent of merchandise exports, 14.8 percent of GDP and employed around 30 percent of total labour occupation. However, agricultural exports are based on land-intensive - and often environmentally unfriendly- products such as meat, dairy, sugar cane, coffee, grains and peanut production. Nicaragua is highly vulnerable to widespread and sometimes severe changes in its climate or natural disasters and therefore needs to invest in sustainable food systems, particularly a climate-smart, nature positive agriculture able to withstand these.

Nicaragua also needs to enhance its mitigation strategy in order to meet its NDCs. This requires more intensive and greener production systems along the value chains. At the same time, food safety standards are increasing their role in trade. There are early investments in this area, however, there is a need to constantly update methods, sampling and standards for both the public and private sectors.

A skilled and competent labour force is fundamental to making this transition to greener, safer, and more inclusive value chains. In both regulatory (public) and productive (private) sectors, there is a need for skilled human capital, training to implement phyto-sanitary and food safety standards, climate-smart methods of cultivation and diversification, and capacity building to take advantage of digital opportunities such as early warning systems and space applications (Copernicus and Galileo), and better business management. Investing in a skilled labour force guarantees not only the quality in the implementation of these measures, but also the sustainability of the process.

Supporting inclusive and sustainable economic growth together with investments in human capital and the labour force available in the sector will contribute to reaching<sup>22</sup>:

- SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture (2.3, 2.4),
- SDG 5 Achieve gender equality and empower all women and girls (5.A, 5.1, 5.5)
- SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (8.2, 8.3 y 8.4),
- SDG 12 Ensure sustainable consumption and production patterns (12.1).
- SDG 13 Take urgent action to combat climate change and its impacts (13.1, 13.3)

Civil society and the private sector play an important role at each stage of the strengthening of value chains. CSOs may be included as farm organisations, and in the provision of learning pathways for climate-relevant training for youth, particularly women and vulnerable groups, and for all relevant actors to build the competencies, skills and knowledge. Interventions will also support governance structures at the local level, such as cooperatives, as entry points to promote dialogue, conflict resolution and life skills. Local leadership and ownership will also be promoted, with a special attention to women and youth. Actions will be implemented in the most vulnerable geographical areas in order to tackle inequalities. These efforts should lead to strengthening the role and participation of social partners, ensuring their active participation.

To contribute to the above-mentioned SDGs, criteria for selecting value chains should include their potential for economic reactivation, social and gender inclusion, and environmental sustainability. The EU's value chains approach integrates a focus on innovation and boosting of circular economies, inspired by the LAC Circular Economy Coalition<sup>23</sup>. Social inclusion is also a key element since the action should be focused on small and medium- sized enterprises, and help to upgrade processes, techniques and quality standards. Female-led enterprises will be prioritized as a positive action to promote women's economic and social empowerment.

Nature positive production and transformation along the value chains should promote technology-intensive models, while achieving sustainable food systems and protecting the natural capital. The current land-intensive model has resulted in a deforestation rate of 100,000 hectares annually. Support to this sector should contribute to a shift towards a greener, resource efficient, economic agricultural model and when possible, agro-ecological model (including organic farming), also taking into account that only deforestation-free products can be marketed in the EU. Early warning systems, water harvesting and management, ameliorations at the production stage, and improved food safety and waste management at the transformation stage should be priorities in the modernisation of value chains.

In terms of risks, as mentioned above, Nicaragua is located in an area vulnerable to natural hazards, droughts, hurricanes, earthquakes, and volcanic activity. The IABD estimates that the climate variability will affect grains yields with a reduction of up to 20 % by 2050. Risks related to climate change are a main issue for Central America. Additionally, the EU needs to take into account the different possible scenarios coming out of elections in 2021. Implementation will

---

<sup>22</sup> In terms of OECD DAC objectives, the EU will be able to contribute to agricultural development (DAC 311), food safety and quality (DAC 430), and improving the basic life skills for youth (DAC 112) through agricultural education and training (DAC 311).

<sup>23</sup> <https://www.coalicioneeconomicircular.org/en/elementor-7/inicio-english/>

be done through MS, UN agencies, civil society and private sector, to ensure aid reaches those intended and it is not used for political purposes.

### Specific objectives related to the priority area

- SO 1. To promote sustainable chains with potential for economic recovery and social inclusion and female empowerment more inclusive and climate sensitive
- SO 2. To increase resilience to food crises and climate change
- SO 3. To improve green economy practices and standards

### Expected results per specific objective

#### SO 1.

ER 1.1 Promote the use of sustained farming models and ecological production methods (agro farming and forestry, quality, animal wealth, etc.) and use of monitoring, traceability and, where appropriate, certification systems for these practices

ER 1.2 Enhanced rural economic diversification, including entrepreneurship opportunities, alternative livelihoods and strengthened participation in the green and circular economy, especially for women and youth;

ER 1.3 Rural productive infrastructure constructed (water and irrigation, etc.)

#### SO 2.

ER 2.1 Strengthened local food security systems, particularly in the most vulnerable areas to climate change impacts.

ER. 2.2 improved prevention of, and preparedness for, food crisis

#### SO 3.

ER.3.1 Increased access to training opportunities in disciplines relevant to climate-sensitive and diversified, sustainable economy, in prioritised areas, particularly for youth and women.

### Indicators per expected result

<b>E.R.</b>	<b>INDICATORS</b>
Promoted the use of sustained farming models and ecological production methods (agro farming and forestry, quality, animal wealth, etc.) and use of monitoring, traceability and, where appropriate, certification systems for these practices	# of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land (EURF).
	# of Micro, Small and Medium Enterprises applying SCP practices with EU support (EURF).
Enhanced rural economic diversification, including entrepreneurship opportunities, alternative livelihoods and strengthened participation in the green and circular economy, especially for women and youth.	# of new businesses created/new jobs supported or sustained by the EU disaggregated by source and sex (EURF) and for green/circular business jobs
Rural productive infrastructure constructed (water and irrigation, etc.)	# of rural productive Infrastructure delivered

Strengthened local food security systems, particularly in the most vulnerable areas to climate change impacts.	Prevalence of moderate or severe food insecurity in the population, disaggregated by location, sex, age and ethnic aspects.
	# of women of reproductive age, adolescent girls and children under 5 reached by nutrition related interventions supported by the EU (EURF)
	Proportion of children and women of reproductive age who have consumed at least four or more food groups.
Improved prevention of, and preparedness for, food crisis	# of plant and animal genetic resources for food and agriculture secured in either medium or long term facilities, disaggregated by type of germ plasm and tissue
	Number of surveys on food insecurity undertaken with EU support.
Increased access to training opportunities in disciplines relevant to climate-sensitive and diversified, sustainable economy, in prioritised areas, particularly for youth and women	# of people who have benefited from new climate-relevant, agricultural skills development training schemes supported by the EU, disaggregated by sex and for digital skills.

### Possible use of blending and guarantees for investment

We envisage potential interventions in this priority area using blending, across all three specific objectives. Possible partners are European Investment Bank (EIB), Central American Bank for Economic Integration (CABEI), the World Bank (WB) and the Inter-American Development Bank (IADB). Exploratory working level conversations have been held with all of them. Both guarantees and technical assistance could be used as a key tool to de-risk operations associated with the financing of new green business and attract private investment. We will also explore the use of innovative sources of finance as possible and appropriate.

### **2.3 Proposals of country Team Europe Initiatives**

The EU Delegation and Member States joined by Switzerland are proposing two Team Europe Initiatives (TEIs) for Nicaragua, responding to areas identified as common priorities where the EU could potentially become the partner of reference in the country, and where the EU could positively impact by working together in innovative and creative ways. The proposed TEIs focus on areas with high transformational potential.

The TEI to support a “Resilient and Inclusive Society” would be mostly supported by the thematic instruments as appropriate. Nicaragua’s complex and dynamic context would require targeted interventions designed with high levels of flexibility, and the ability to adapt to changing situations.

The TEI “Green Recovery – water management and resilient agriculture”, is designed to promote green recovery and circular economy, with cleaner production, biodiversity protection, and resource efficiency. The TEIs three building blocks are presented as part of the MIP priorities as follows:

1. Climate change mitigation and adaptation- is covered by objective 1 under priority 1
2. Water management – is integrated into objective 2 under priority 1
3. Resilient agriculture- is integrated into objective 1 under priority 2.

The EU's indicative contribution to this TEI (50 million euros) is subject to the confirmation of the Team Europe partners' indicative meaningful contribution as early as possible. In the absence thereof, the EU's indicative contribution may be redirected in accordance with the priority areas of the MIP and their allocations. The obligation of the Union and the Member States to coordinate their development policies following initiatives by the Commission to this effect, as per article 210 TFEU, always applies.

Specific activities under the TEIs will be further formulated and developed by TEI partners, including EIB, civil society and private sector. Joint programming would be undertaken mostly through the TEIs, for which principles and guidance will be followed. There might be other opportunities for joint programming depending on the evolving situation.

## **2.4 Sub-regional and multi-country dimension**

The process of developing and strengthening our partnership is a policy-driven approach. In this sense, the EU engagement in the country cannot lose sight of the importance of the implementation of the EU-Central America Association Agreement, which remains a meaningful overarching instrument in our political, cooperation and trade partnership with each country in Central America. Pending its full ratification, this applies also to the existing PDCA for political and cooperation matters.

Furthermore, cooperation in the framework of the sub-regional context will be considered to address shared challenges and challenges of a cross border nature, focusing on the processes with the greatest potential to deliver on the SDGs through a multi-country approach that allow for a greater impact and success back at each country level. This is pertinent for instance in areas such as economic integration and recovery, inclusive development, climate change and security.

## **2.5 Support to investments under EFSD+**

Subject to confirmation during the implementation phase, it is expected that an indicative amount of up to 28% of the resources of this MIP may be used to provision EFSD+ guarantees and to finance bilateral and regional blending operations to which the country will be eligible. From this indicative amount about one third would be dedicated to EFSD+ provisioning, representing 8 million euros for 2021-2024 under either priority areas.

Sustainable finance represents a real potential in the region and could help accelerate financial flows towards green, inclusive and resilient transitions.

## **3 Support measures**

### **3.1. Measures in favour of civil society**

It is expected civil society actively participates in and contributes to each of the MIP priority areas. International and local CSOs' specific expertise and knowledge position them as key partners in implementation of efforts in climate change, economic growth and human

development. Their added value comes particularly from their capacity to work at community and grassroots levels, strengthen local capacities, promote inclusive economic empowerment and, develop sensitisation and awareness. Their role in supporting governance structures at the local level, such as cooperatives, water committees or parent-teacher associations, is fundamental for the promotion of a culture of dialogue and conflict resolution as well as peace building.

We will support CSO capacities and skills development and facilitate networking to boost their ability to meaningfully contribute to the country's development, with a particular focus on geographic priorities and target vulnerable groups (youth, women and indigenous people and Afro-descendant ethnic groups). Mindful of the growing constraints for CSOs to operate, the EU has called on the Nicaraguan authorities to align the legislation and practices with international human rights obligations and to promote the role of civil society so that non-governmental organisations can operate freely and effectively. The EU will also continue to combine diplomatic and cooperation efforts to contribute to an enabling environment for their participation in governance and development processes.

The EU maintains its commitment to support civil society's work in the promotion and protection of rights for all, democratic values and reconciliation. The contributions of all sectors of civil society organisations, whether formal or informal, and individuals, are fundamental to the development of the country. This becomes even more important in an increasingly restrictive environment.

### **3.2. Cooperation facility**

Given the ongoing socio-political crisis in Nicaragua, a cooperation facility is foreseen in order to promote dialogue with and support to CSO as appropriate: events, conferences, studies, fellowships, exchange platforms leading to policy reforms and engagement with the government (coordination at technical level when necessary) and other stakeholders. A technical assistance instrument is also necessary to support analytical work as well as the formulation, implementation and evaluation of the different programmes and projects, as well as to support implementation of cross cutting work such as the Gender Action Plan (GAP) and the Human Rights and Democracy strategy. Funds will also be earmarked to support visibility and communication initiatives portraying EU's cooperation work in Nicaragua.

Considering today's contested information environment (marked by disinformation) and the importance of building coalitions with citizens and non-state actors to advance EU policy priorities, developing trusted channels of engagement through public diplomacy has become an essential element of our foreign policy. Dedicated long term public diplomacy initiatives allowing to engage durably with our target audiences and partners (beyond the life cycle of specific cooperation projects) are key to build trust, enhance the understanding of the EU, support the implementation of our policy priorities and, ultimately, facilitate future cooperation across policy areas.

Building on the experience of the Partnership Instrument and the other good practices, public diplomacy initiatives will allow to foster and mobilising specific networks, target groups and partners and will allow to connect and leverage existing EU programmes and initiatives for public diplomacy purposes. When relevant, bilateral initiatives involving national initiatives will be connected at the regional and global levels to reinforce the understanding of multilateralism and highlight the role of the EU as a global player. Public Diplomacy initiatives

will also reinforce the ‘Team Europe’ approach and joined-up public diplomacy initiatives could be organised across EU services, EU institutions and with Member States. There will be dedicated funds to support EU public diplomacy initiatives.

**4 Financial overview**

Although the duration of this MIP is seven years, the indicative allocations for Nicaragua and for each of the priority areas and support measures laid down in the table below are provided for the 2021-2024 period only.

The indicative allocations for 2025-2027, as well as the possible modification of other substantial elements of this MIP, will be subject to a decision by the EU. This decision should be preceded by a review of the implementation of this MIP, which should include a dialogue with the authorities and other stakeholders of Nicaragua.

The mid-term review of this and other multiannual indicative programmes is planned for 2024. Without prejudice to the mid-term review, an ad-hoc review may be foreseen earlier for synchronisation with the country political cycle.

Priority area 1: Environment and climate change mitigation and adaptation <sup>24</sup>	43	53%
Priority area 2: Sustainable economic growth	35	42%
Support measures	4	5%
<i>TOTAL for initial period</i>	82	100%

**Attachments**

1. Intervention framework
2. Donor matrix with estimated contributions

---

<sup>24</sup> Contributions to biodiversity spending will meet the 7,5% target by 2024

**Attachment 1. Template for intervention framework**

<b>Priority area 1: Environment and climate change adaptation/mitigation</b>		
<b>Specific objective 1:</b> To increase environmental and biodiversity protection for a sustainable ecological development and as a response to climate change		
<b>Expected Results</b>	<b>Indicators</b>	<b>Baseline &amp; targets</b>
a) Alternative renewable energy sources are developed	a1) Renewable energy generation capacity installed (MW) with EU support (EURF)	<b>B:</b> 0 <b>T:</b> 56MW <b>MoV:</b> monitoring system, data collection on gender analysis, surveys. National Statistics Institute and Mining Ministry publications and reports
	a2) % of households with access to clean cooking facilities (GAP), disaggregated urban/rural	<b>B:</b> 54% nationwide households (FIDEG 2020) 78 % urban households (FIDEG 2020) 19.1% rural households (FIDEG 2020) <b>T:</b> 58% nationwide households 82 % urban households T2: 23.1% rural households <b>MoV:</b> Living standard survey (INIDE), data collection surveys

<p><b>b)</b> Promoted sustainable management of forests, fragile ecosystems and coastal zones for local socio-economic development with an effective community participation and minimised deforestation and forest degradation.</p>	<p><b>b1)</b> Areas of terrestrial and freshwater ecosystems under a) protection b) sustainable management with EU support (ha) (EURF)</p>	<p><b>B:</b> 0 <b>T:</b> 1 <b>MoV:</b> UED monitoring system, protected areas management plans, conservation plans' reports</p>
	<p><b>b2)</b> Number of land management and territorial ordering plans elaborated with community participation and EU support</p>	<p><b>B:</b> 0 <b>T:</b> 3 <b>MoV:</b> EUD monitoring system, territorial ordering plans by municipalities</p>
<p><b>c)</b> Increased effectiveness of wildlife protection measures and improved knowledge in this sector.</p>	<p><b>c1)</b> # biological stations for biodiversity monitoring established in wildlife reserves with EU support</p>	<p><b>B:</b> 0 <b>T:</b> 3 biological stations for biodiversity <b>MoV:</b> monitoring system, diagnostic report on biological stations</p>
	<p><b>c2)</b> # studies for endemic and native (fauna &amp; flora) species monitoring published with EU support</p>	<p><b>B:</b> 0 <b>T:</b> 10 <b>MoV:</b> biodiversity studies database, research plans</p>

	<p><b>c3)</b> Number of people (biological stations, personnel, local actors, community members) trained in the use of digital tools for biodiversity monitoring, with EU support (by sex)</p>	<p><b>B:</b> 0  <b>T:</b> 400 people  <b>MoV:</b> EUD monitoring system</p>
<p><b>Specific objective 2</b> To strengthen inclusive conservation and sustainable management of water resources to adapt to climate related impact and inclusive access to water and sanitation</p>		
<b>Expected Results</b>	<b>Indicators</b>	<b>Means of verification</b>
<p><b>a)</b> Integrated watershed management implemented with a focus on adaptation to climate change and effective community participation, including drought management preparation.</p>	<p><b>a1)</b> # comprehensive management of hydrographic basins plans elaborated with community participation with EU support</p>	<p><b>B:</b> 0  <b>T:</b> 3  <b>MoV:</b> National information system on water resources</p>
	<p><b>a2)</b> Proportion of women in managerial positions in WASH groups supported by EU</p>	<p><b>B:</b> 30%  <b>T:</b> 60%  <b>MoV:</b> monitoring system, data collection on gender analysis, surveys</p>
<p><b>b)</b> Improved availability, accessibility and efficient use of water and resources, particularly in rural areas.</p>	<p><b>b1)</b> Number of individuals with access to improved drinking water source with EU support, disaggregated by sex (EU RF-GAP)</p>	<p><b>B:</b> 0  <b>T:</b> 38,535 inhabitants  <b>MoV:</b> UED monitoring system, data collection surveys, GIS for local infrastructure (Silgil system)</p>

<p>c) Improved access to the sanitation, clean water in particular and sewerage system, particularly in rural areas.</p>	<p>c1) Number of individuals with access to sanitation facility with EU support, disaggregated by sex (EU RF-GAP)</p>	<p><b>B:</b> 0  <b>T:</b> 4,945 inhabitants  <b>MoV:</b> UED monitoring system, data collection on gender analysis, surveys</p>
<p><b>Specific objective 3</b> To increase community resilience with a disaster risk reduction, prevention and preparedness approach to face climate-related impact</p>		
<p><b>Expected Results</b></p>	<p><b>Indicators</b></p>	<p><b>Means of verification</b></p>
<p>a) Enhanced disaster risk reduction and local climate governance, including nature-based solutions and community preparedness, in the face of climate-related effects and disasters of natural or human-made origin (CCA/DRR).</p>	<p>a1) Annual average of fatalities per 100.000 inhabitants related to Climate Change</p>	<p><b>B:</b>2.945 (2017)  <b>T:</b> &lt;2.945  <b>MoV:</b> Germanwatch Global Climate Risk Index</p>
	<p>a2) Number of early warning and DRR task force members trained at local and regional levels, disaggregated by sex and age</p>	<p><b>B:</b>0  <b>T:</b> 500  <b>MoV:</b> UED monitoring system</p>
	<p>a3) # of women and girls reached by programmes aimed at strengthening individual resilience and safety in the face of disasters (GAP)</p>	<p><b>B:</b>0  <b>T:</b> 500  <b>MoV:</b> UED monitoring system</p>
<p>b) Enhanced resilient capacities and sustainable infrastructure for disaster preparedness and response in hazard prone areas. Special attention will be given to women and indigenous people.</p>	<p>b1) # of community small-scale infrastructure and facilities built with EU support</p>	<p><b>B:</b>0  <b>T:</b> 100  <b>MoV:</b> UED monitoring system</p>

c) Enhanced early warning systems and response capacities in areas/populations mostly prone to natural hazards and protracted crises.	c1) Number of people covered by a functioning early warning system developed with EU support	B:0 T: 100,000 MoV: UED monitoring system
	c2) Percentage of of natural hazards monitored with EU support and informing decision making during the programming period	B: 0 T: 50% MoV: UED monitoring system
	c3) Number of communication channels established with EU support for communication of warnings	B:0 T: 1 MoV: UED monitoring system, data collection on gender analysis, surveys

**Priority area 2: Inclusive and sustainable Economic Growth**

**Specific objective 1:** To promote sustainable value chains with potential for economic recovery and social inclusion and female empowerment more inclusive and climate sensitive

Expected Results	Indicators	Means of verification
a) Promoted the use of sustained farming models and ecological production methods (agro farming and forestry, quality, animal wealth, etc.) and use of monitoring, traceability and, where appropriate certification systems for these practices	a1) Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land (EURF)	B:0 T: 50,000 MoV: UED monitoring system, farm surveys
	a2) # of Micro, Small and Medium Enterprises applying SCP practices with EU support (EURF)	B: 0 T: 120 cooperatives and women's enterprises.

		<b>MoV:</b> UED monitoring system
<b>b)</b> Enhanced rural economic diversification, including entrepreneurship opportunities, alternative livelihoods and strengthened participation in the green and circular economy, especially for women and youth	# of new businesses created/new jobs supported or sustained by the EU disaggregated by source and sex (EURF) and for green/circular business jobs	<b>B:</b> 0 <b>T:</b> 50,000 <b>MoV:</b> UED monitoring system, gender analysis data collection, surveys
<b>c)</b> Rural productive infrastructure constructed (water and irrigation, etc.)	# of rural productive Infrastructure delivered	<b>B:</b> 0 <b>T:</b> 200 <b>MoV:</b> UED monitoring system
<b>Specific objective 2:</b> To increase resilience to food crises and climate change		
<b>Expected Results</b>	<b>Indicators</b>	<b>Means of verification</b>
<b>a)</b> Strengthened local food security systems, particularly in the most vulnerable areas to climate change impacts.	<b>a1)</b> Prevalence of moderate or severe food insecurity in the population, disaggregated by location, sex, age and ethnic aspects.	<b>B:</b> 6 % <sup>25</sup> <b>T:</b> 5 % <b>MoV:</b> UED monitoring system
	<b>a2)</b> # of women of reproductive age, adolescent girls and children under 5 reached by nutrition related interventions supported by the EU (RF)	<b>B:</b> 0 <b>T:</b> 100,000 <sup>26</sup> <b>MoV:</b> UED monitoring system

<sup>25</sup> FAO WFP (2021) Hunger Hotspots FAO-WFP early warnings on acute food insecurity. August to November 2021 Outlook

<sup>26</sup> At least 2 for every smallholder reached with sustainable production, access to markets

	<b>a3)</b> Proportion of children and women of reproductive age who have consumed at least four or more food groups.	<b>B:</b> To be defined <b>T:</b> To be defined <b>MoV:</b> MICs survey
<b>b)</b> Improved prevention of, and preparedness for, food crisis.	<b>b1)</b> # of plant and animal genetic resources for food and agriculture secured in either medium or long term facilities, disaggregated by type of germ plasm and tissue	<b>B:</b> 0 <b>T:</b> 10 <b>MoV:</b> UED monitoring system
	<b>b2)</b> Number of surveys on food insecurity undertaken with EU support	<b>B:</b> 0 <b>T:</b> 6 <b>MoV:</b> Survey reports
<b>Specific objective 3:</b> To improve green economy practices and standards		
<b>Expected Results</b>	<b>Indicators</b>	<b>Means of verification</b>
<b>a)</b> Increased access to training opportunities in disciplines relevant to climate-sensitive and diversified, sustainable economy, in prioritised areas, particularly for youth and women.	<b>a1)</b> # of people who have benefited from new climate-relevant, agricultural skills development training schemes supported by the EU, disaggregated by sex and for digital skills.	<b>B:</b> 0 <b>T:</b> 100,000 <b>MoV:</b> UED monitoring system

<https://ec.europa.eu/transparency/regdoc/rep/10102/2018/EN/SWD-2018-444-F1-EN-MAIN-PART-1.PDF>

**Attachment 2- Donor Matrix**

	<b>NEW PROGRAMMING</b>	<b>Estimated budget (€)</b>	<b>New sectors proposed</b>	<b>Observations</b>
<b>Germany</b>	2022-2027			No bilateral programmes- Nicaragua will be included in regional portfolio as appropriate (priority sectors are climate change mitigation and adaptation, sustainable economic growth and renewable energy/energy efficiency)
<b>Spain</b>	2022-2027	32.3M	Water Sanitation Sustainable Economic Growth Renewable energy, energy efficiency Support to Civil Society	21.5M Water sanitation 1.8M Sustainable economic growth 9M Civil society
<b>United Nations</b>	2022-2027		Support to the productive sector Education	
<b>Luxembourg</b>	2021-2025	7.63M	Sustainable Economic Growth Climate change mitigation and adaptation Support to Civil Society	1.136M Climate change mitigation and adaptation 5.5M Sustainable economic growth 1M Civil society
<b>France</b>	2021-2022	600k	Support to Civil Society	Regional programme “PISCCA” (6 countries).

			Culture	
<b>Switzerland</b>	2021-2024	39.3M	Sustainable Economic Growth	18.25M Climate change mitigation and adaptation 9.2M Sustainable economic growth 11.9M Civil society
			Support to Civil Society	
			Inclusive Governance	
			Climate change adaptation/mitigation	
<b>Italy</b>	2022-2027		Support to Civil Society	
			Inclusive Governance	
<b>IDB</b>	2022-2027			
<b>Canada</b>			Gender	
			Youth and Children	