

	Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
12. Amounts concerned	14.020140 – Cooperation with Latin America Total estimated cost: EUR 13,300,000 Total amount of EU budget contribution EUR 13,000,000 The contribution is for an amount of EUR 13,000,000 from the general budget of the European Union for 2021 This action is co-financed in joint co-financing by: Agencia Española de Cooperación Internacional (AECID) for an amount of EUR 300,000			
MANAGEMENT AND IMPLEMENTATION				
13. Type of financing <sup>1</sup>	Indirect management with AECID and United Nations Industrial Development Organisation (UNIDO)			

## 1.2. Summary of the Action

Although Nicaragua has faced three consecutive years of economic contraction, the most recent projections indicate that 2021 will be a positive-growth year. The socio-political crisis sustained since 2018 has had a strong impact on the economy, reducing formal jobs and increasing migration flows. In 2020, the COVID 19 pandemic deepened the crisis further, and during this time, agriculture, mining and remittances remained the key motors of the economy. In Nicaragua, agriculture remains a key sector for contributing to several SDGs such that – even during the economic recessionary period from 2018 to 2020 – the agricultural sector continued to grow, in contrast to the sharp decline of all other pillars of the economy. Reports on greenhouse gases highlight the fact that the main sources of greenhouse gas emissions are related to land use, land use change and forestry. Nicaragua's economy relies heavily on the exploitation of its natural resources and agricultural products. Promoting a transition to a greener agriculture will not only benefit food production, but also contribute to reaching the NDCs goals.

<sup>1</sup> Art. 27 NDICI