



Nicaragua

Among the **Highest Investments** in
Technology in LATAM

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The Nicaraguan market

Nicaragua's GDP growth averaged 3.9% between 2000 and 2017¹ due to the government's market-oriented reforms and sound macroeconomic management. Remittances and foreign direct investments contributed hugely to the country's strong economic expansion. Although covid-19 and two hurricanes caused great damage in 2020, economic activity recovered quickly to the pre-pandemic levels. Nicaragua recorded real GDP growth of 10.3% in 2021, while exports and remittance-fuelled private consumption led to a 5% expansion in the first half of 2022.

Nicaragua attracts foreign companies from around the globe, given its strategic location and attractive tax benefits.

The Nicaraguan economy is expected to grow by:

3% in 2023

3.5% in 2024²



6.74 million
population³



27.2 Years
median age of
population



Nicaraguan Córdoba
(NIO) – currency



44.2%
internet user
penetration



2.98 million
internet users in
Nicaragua



\$2.4 billion
total transaction
value in digital
payments in 2022 (est.)

Knowns as the Land of Lakes and Volcanos, Nicaragua is a popular tourist destination in Central America, especially for adventure and nature lovers. Eco-tourism attracts foreign investments, which has played a role in the nation's development. The country also earns substantial foreign exchange by exporting apparel, precious and semi-precious metals and stones, electrical components, and agricultural items.

\$150.4 million
revenues from
the tourism
sector projected
for 2027⁴

Nicaragua's main export destinations⁵

United States	Mexico	Costa Rica
Guatemala	Asia	Honduras
El Salvador		

Nicaraguan's booming services sector

The services sector contributes around 46% of Nicaragua's GDP.⁶ With growth in general commerce over the decades, the country's services sector has expanded significantly. Nicaragua's workforce is largely young and educated, which favours the services sector, both in terms of employment and consumption.

82.6%
of Nicaragua's workforce is young
and educated⁷



Nicaragua's ecommerce market⁸



2.98 mm - internet
users in January 2022
(est.)⁸



40% - user
penetration
projected by 2027



2.9 mm - users
expected by 2027⁹

What do Nicaraguans shop for online?¹⁰



\$603.3 mn

ecommerce revenues
in 2022 (est.)

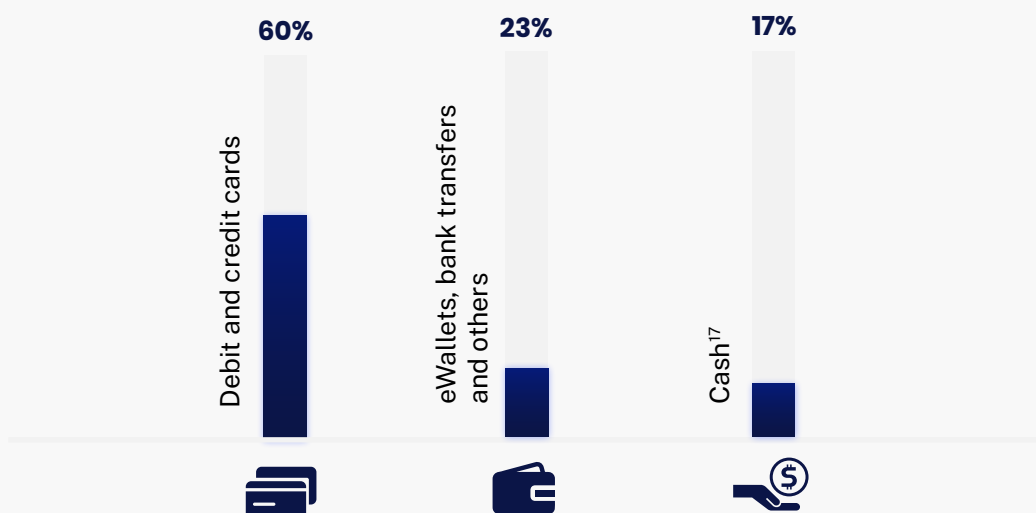
15.39%

CAGR expected
from 2022 to
2027

\$1.23 bn

revenue projected
for 2027¹¹

Nicaragua's ecommerce payment mix¹²



GSMA mobile connectivity index¹³

Index score 2021
5.3.5



Infrastructure

54.7

Network coverage

71.3

Network performance

42.1

Other enabling infrastructure

56.9

Spectrum

46.6



Affordability

37.4

Mobile tariffs

23.7

Handset price

31.1

Taxation

69.0

Inequality

35.8



Consumers readiness

67.0

Mobile ownership

56.1

Basic skills

53.6

Gender equality

86.0



Content and services

59.9

Local relevance

55.5

Availability

89.7

Online security

9.0



The digital transformation of Nicaragua

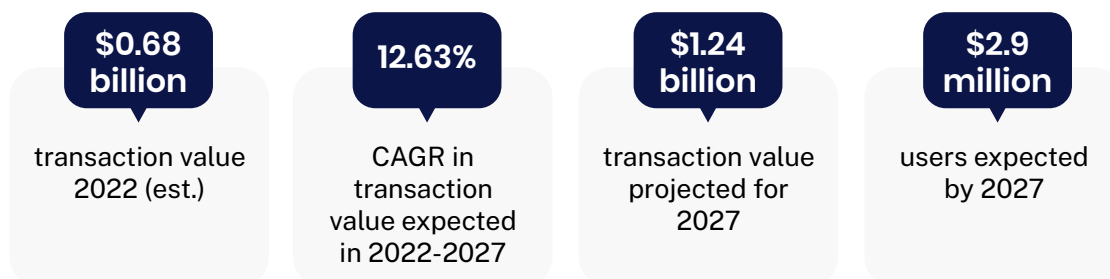
There is a gap between the demand for digital services and the infrastructural developments in the country to support the growing adoption of new technologies. The primary reasons for companies demanding digital services in Nicaragua are to reach new customers and enter new markets. Much of the drive towards digitisation has been spearheaded by the financial services and BPO (business process outsourcing) sectors.¹⁴

122%
mobile penetration in
Nicaragua, with 8.21
million connections¹⁵



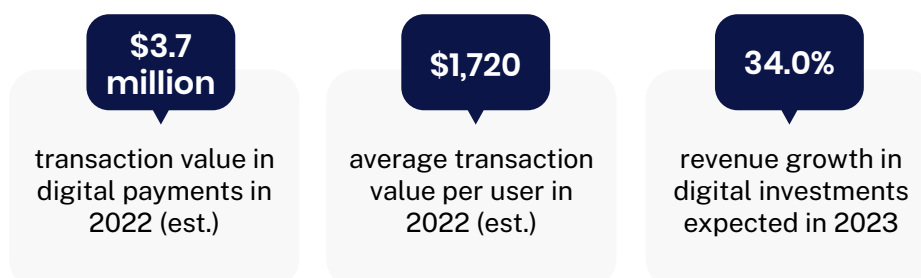
mCommerce

Growth of mCommerce in Nicaragua¹⁶



Fintech

Growth of digital payments in Nicaragua¹⁷





eServices

Growth of eServices in Nicaragua¹⁸

**\$3.42
million**

Revenues in
2022 (est.)

6.01%

CAGR projected
for 2022-2027

**\$4.58
million**

Market volume
expected to reach
in 2027

**The event tickets segment could lead growth in
eServices in Nicaragua, with 14.0% revenue growth
projected for 2023**



Why do business in Nicaragua

Favourable business climate

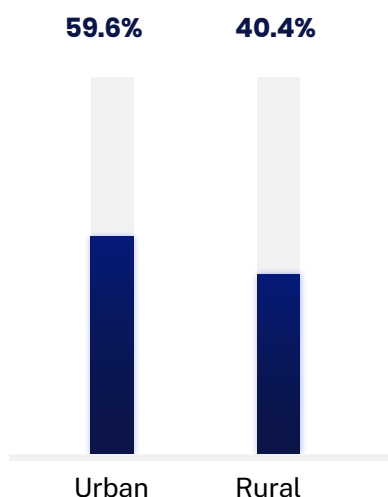
The private sector in Nicaragua is highly sophisticated, well-organised, and open to foreign investment. The country offers preferential access to the international market with high levels of personal safety and a competitive cost structure. The government has passed several laws, including the Tourism Industry Incentives Law and the Foreign Investment Promotion Law, to attract foreign direct investments (FDIs) in the country.¹⁹

FDIs in Nicaragua averaged \$117.77 million from 2006 to 2022²⁰

Economic progress

Nicaragua enjoys an abundance of natural resources due to its location and terrain. So far, the tourism and hospitality sectors have been the biggest drivers of FDIs in the country. Nicaragua's GDP in current prices is projected to grow steadily between 2022 and 2027 by almost 34%. The GDP is estimated to reach \$21 billion by 2027.²¹

High urban population²²



Favourable government policies

The government's emphasis on attracting foreign companies and investments makes Nicaragua an ideal location in Central America for starting a business. Investor protection and tax incentives make the country a favourable investment destination. The one-on-one engagement approach, rather than a whole-government approach, makes processes smoother and faster for potential investors. The Foreign Investment Promotion Law (FIPL) guarantees the repatriation of capital and profits at any time.

The FIPL allows 100% capital to be held by foreign investors who own a business

Business growth opportunities

The policies are designed to enable ease of doing business and to simplify access to cross-border trade. The country offers ready access to major shipping lanes and has a young and low-cost labour force to support businesses. Nicaragua has successfully enabled free trade by signing bilateral investment treaties with the Czech Republic, Denmark, Finland, France, Germany, Italy, Iran, Luxembourg, the Netherlands, the Russian Federation, Spain, Switzerland, and the United Kingdom. The country has investment provisions for Chile, Mexico, Panama, Taiwan, South Korea, and CAFTA-DR member states.

\$1.96 bn manufacturing output in 2021, representing almost 15% growth²³

Nicaragua's economic expansion

Sectors that traditionally led the growth of the Nicaraguan economy were:

Mining

Agriculture

Financial services

Construction

Sectors spearheading growth include:

Digital payments

Ecommerce

Tourism

Fintech

Top payment methods in Nicaragua



1. Puntotpress

Aimed at making life easier, Puntotpress is a facility to optimise payments for electricity, water, mobile phone recharge, and other services. It can also be used for settling credit card bills and making loan repayments. Nicaraguans pay in cash at physical Puntotpress locations, some of which are open 24 hours. The service is safe and reflects online instantly.



2. Quick STOP

This is a leading convenience store in Nicaragua, with branches spread across the country. It offers easy selection and purchase of lifestyle goods, food and beverages, home improvement items and many other products. Quick STOP offers a range of products from different brands. It is possible to make payments with a voucher that needs to be presented for cash payments at a Quick STOP convenience store.



3. Teledolar

Teledollar is a cross-border electronic payments provider. It enables remittances in US dollars across various countries. The remittances can be made directly from a mobile phone or computer. Over a hundred corporate agencies and authorised Teledollar agents facilitate payments via 700 service centres across Nicaragua.



4. DeTodo para ahorrar

DeTodo para ahorrar sells diverse categories of home supplies, including kitchen and bathroom ware, personal care goods, items for parties and events, hardware, pet care products and more. There are more than 24 DeTodo para ahorrar stores across Nicaragua. They facilitate the use of vouchers for cash payments to customers.

Expand your business in Nicaragua with PayRetailers

PayRetailers takes your business to Nicaragua with more payment alternatives for your customers, all in a single platform.

Being able to offer flexibility in payments can empower your business to grow. With PayRetailers, you get to achieve just that from anywhere in the world to drive business growth in Latin America. We offer a fully localised solution for payment processing in the region. With a single API integration, you gain access to over 250 local payment methods.

Our payment gateway supports multi-channel and multi-currency payments, enabling you to provide unparalleled customer check-out experiences to maximise sales. With our always-available, robust and scalable payment infrastructure, you can start processing transactions within 48 hours.

Fraud prevention & risk management

PayRetailers ensures a completely compliant solution with a focus on the highest standards of security as part of our fraud prevention solutions.

Local collection, global settlements

Make sales in Nicaraguan cordobas and receive US dollars, anywhere in the world. We offer unified settlement across all currencies through a 24-hour fixed forex rate in USD and EUR.

Turnkey merchant services

With our highly scalable cloud-based solutions, you can access data quickly and easily, at any time and from anywhere.

Localised solutions

Maximise your market reach by offering the most popular local payments methods without needing to set up a local entity.

Cash Payments





Fintech associations



Our commitment to financial inclusion & financial education

We foster business growth for your company to drive innovation in financial solutions with an aim to building financial inclusion. We believe that we can further ensure inclusion by providing knowledge and skills for people to better manage their personal finances and improve their well-being. We use our collective knowledge and industry best practices to improve financial services for everyone.

Are you interested in the Nicaraguan market?

Our team of experts can help you:

- Understand your Nicaraguan customer and their preferences.
- Get local expertise and assistance.
- Find the reliable payment methods trusted by El Nicaraguan consumers in your industry to form a local payment strategy.

50+ leading companies trust us.
Operate via a local partner, so that there is no need to set up a local entity.

PayRetailers bridges the access gap between Latin Americans and international companies. Contact our sales expert team and discover our solutions for yourself.



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