

NICARAGUA



Publisher: IGM INVESTMENTS. Latin American Director: Margarita Fernandez, Project Manager: Gloria Berríos, Texts: Susanne Haegeler, Acknowledgements: Ministerio de Turismo

IGM INVESTMENTS INDEPENDENT SUPPLEMENT FOR LOS ANGELES TIME
www.igminvestments.com

Special Report



“Salto El Rosario”, Nueva Segovia

“Land here before it gets discovered”

Nicaragua, the largest country in Central America, is located at the very heart of its region: it is bordered by Honduras to the North and Costa Rica to the South, the Pacific Ocean to the West and the Caribbean to the East. This safe country (the safest in Central America according to the United Nations Development Program) is blessed with breathtaking natural beauty, hospitable people, rich cultural traditions... and abundant investment opportunities.

According to the World Bank representative for Central America, the Nicaraguan economy, despite being the smallest in the region with a relatively limited internal market of 6.1 million inhabitants, will be one of the fastest growing in 2016, at a projected rate of around 4 percent. In the World Bank's latest economic outlook, Nicaragua appears as the third economy in terms of predicted growth over the course of this coming year, and it is to be hoped that the poverty reduction trend observed over the last years will continue. In 2015 the average per-capita income lay around 2000 US dollar, while the inflation rate stayed under 3.5 percent.

The monetary and fiscal policies are geared towards ensuring macroeconomic stability. Nicaragua's economic performance in recent years has been admirable and is one of the highest in Latin America. The World Bank currently follows 12 projects in the areas of health, education, infrastructure, water and sanitation, amongst others. Its project portfolio presently amounts to USD 420 million. The IMF- art. IV-consultations in October 2015 also gave Nicaragua a good rating.

Around a quarter of the country's GDP is based on agriculture and fishing. The industrial sector - mainly the transformation of agricultural products- represents another quarter of the GDP. The rising gold prices currently allow the mines to contribute more to GDP growth than they previously did. The sectors with the highest potential for growth include construction, textiles, tourism, agriculture and energy. With a rich flora and fauna, a warm tropical climate and fascinating active volcanoes, Nicaragua is also an increasingly popular tourist destination. Lake of Nicaragua is the largest freshwater lake in Central America (20th largest in the world).

Nicaragua holds enormous opportunities in the renewable energies sector. Water, wind and geothermal energy now account for around 57% of the

country's energy production. By 2020 the Government wants to raise the renewable energy share to 90%. Despite excellent conditions, solar energy is so far hardly exploited.

There are also many public and private infrastructure projects under way, focusing on local and national needs likes roads and hospitals, whilst at the international level there a controversial idea has been floated regarding a new inter-oceanic canal between the Pacific and the Atlantic.

The multi-ethnic Nicaraguan workforce, comprised of 3.2 million people, is young and dynamic, as 76 percent of the population is under the age of 39. Their education and training is extremely important, so that the workforce can meet the needs of this fast-growing economy. As Matthew Anderson, president of Keiser University, acknowledges: “Nicaragua holds great potential, but it needs to train more and better professionals in every sector. Keiser University invests heavily in new technologies to contribute to what really needs to be a national effort. Their Invercasa campus chooses to teach in English with a view to preparing their graduates for employment with foreign investors, who are showing increasing interest in the country thanks to a secure and stable business climate and solid legal framework, translating into a rise in Foreign Direct Investment. Foreign investors seem impressed with the way the Ortega Government has been managing the economy.”

The Tax Concertation Law (bill 822) grants various tax benefits in order to promote growth and development. This applies in particular to exports, which benefit from a 0% rate of Value Added Tax for domestically produced goods or services provided to clients abroad, whilst exports of goods are taxed at 0% of the Selective Consumption Tax (ISC). A tax credit can further be applied to advance payments or annual income tax for up to 1.5% of the FOB value of exports.

Agricultural producers and the forestry sector are also encouraged by the Government.

Overall, the political and economic climate in Nicaragua is currently very friendly to foreign investors. Everything is being done to make them feel at home, in keeping with the famous Nicaraguan sense of hospitality.

INDUSTRY p.1

Land here before it gets discovered

FINANCIAL p.2

Great investment opportunities for local and regional industries

INFRASTRUCTURE p.3

The desired growth

EDUCATION p.4

High level education

TOURISM p.4

Undiscovered beaches, volcanoes, forest, islands

CARIBBEAN CONEXION p.5

A business and pleasure paradise in the Caribbean

“Great investment opportunities for local and regional industries”

The Nicaraguan industry used to be focused on agriculture and fisheries, as well as mining - it has the highest recorded gold production in the region. The recent global rise in gold prices has therefore served Nicaragua well. The country currently boasts significant successes in a quite eclectic mix of sectors: food processing, chemicals, machinery and metal products, textiles, outsourcing services, footwear manufacturing, automobile parts, aquaculture and forestry. With the hope of becoming more self-sufficient in the energy sector, power generation projects from renewable sources receive tax and tariff benefits under bill 532, a

law to promote electricity generation from renewable sources. These taxes and tariff benefits cover new projects as well as extensions to the currently installed capacity.

Employment in the industrial sector has grown by over 25 percent in twenty years. The industrial and mining sector currently employs around 26 percent of the population, followed by the agricultural sector with 18 percent, even though services are still the biggest sector in terms of employment with around 55 percent of the workforce.

The garment industry is one of Nicaragua's most important industrial

sectors regarding job creation and national income. The factories are mainly situated in the Pacific coast. Foreign investors in this sector are mainly Americans, Nicaraguans, Mexicans, and Koreans.

Within the global garment industry, Nicaragua's competitive edge is based on several factors: its closeness to North America, reasonable labor costs and the tax incentives within the free-zones. Nicaragua currently offers significant tax incentives to foreign investors under the free-zone regime for those companies interested in export-oriented operations of textiles and clothing, but this also applies to manufacturing, food processing, and outsourcing services. While the Government is encouraging foreign investors, local companies are increasingly successful and self-confident, too.

One such example is **Delmor**, which was founded in 1962. It is about to celebrate its 55th anniversary and its capital is 100% Nicaraguan. It was relaunched in 1990 and became the leading sausage producer in Nicaragua, which it still is. They have always focused on ensuring the quality of their products. In 2004 Delmor were certified ISO 9001, which gave them a competitive edge and opened opportunities to export into other regional Latin American markets.

In the words of general manager Zacarías Mondragón: **“We are dedicated to our clients, safety and quality are our priorities, we want to guarantee a safe product for our clients. At the moment we are lobbying for a mandatory national technical standard to regulate the carbohydrate and protein content of sausages and we want both national and international companies to adhere to these norms, for the customer's sake”.**

Last year they sent ten containers worth of tinned Wiener sausages to Panama, and had to lay their activities in various other countries on hold because they were undergoing the certification process for the ISO 22000 safety norm, for which they had to invest heavily into their company's renovation.

This being completed, they are now looking across the border for new opportunities. Costa Rica is a natural potential market for Delmor, since half a



ZACARIAS MONDRAGON
GENERAL MANAGER OF
DELMOR

million Nicaraguans went to work there, they know the Delmor brand and are the prime target clientele. Mr. Mondragón is optimistic: **“After that, we'll look at other markets like the US, Puerto Rico, Honduras and Cuba. We have sufficient available capacities to grow through exports. The US market holds more spending power and we could easily access niche markets in California and Florida. Most Latin Americans live in Los Angeles, San Francisco and Miami - the latter has thousands of Nicaraguan inhabitants.”**

Mr. Mondragón arrived at Delmor at quite a young age, after studying business administration and obtaining various master degrees as well as an MBA. It was Industrias Delmor, S.A., which really made his career, and he has been there for thirty years as a general manager.

“Nicaragua is changing rapidly and there are plenty of business opportunities here. This is why we chose to invest and we trust in the business climate and economic growth of our country. We trust our safety norms 100% and our products are guaranteed by international standards. To export towards the US, we need to comply with FDA norms. This will represent a further safety label for American customers”, summed up Mr. Mondragón.

The mood is clearly upbeat amongst Nicaragua's leading companies, which proudly participate in the impressive

Atlántida®
100% Marina Natural

Condimento

• www.salatlantida.com
+ (505) 8889-6803
crivas@nicasal.com
crivasmay_63@hotmail.com

NICASAL

facebook.com/Sal.Atlantida



CARLOS RIVAS
EXECUTIVE DIRECTOR OF
NICASAL

product and how it impacts their health and wellbeing positively. After 2 years of a strong campaign in this sense, they conquered 70% of national market share. Internationally, they have 15% of market share in Costa Rica and this keeps growing. Mr. Rivas added: **"Regionally, we are selling approximately 10,000 tons per year, for human consumption and food, textile and chemical industries. Central America is not an industrialized region yet, the primary use of salt is in the chemical industry, so it represents an important opportunity for the future"**.

Planning never ends and the management knows exactly where it wants to go, shared Mr. Rivas: **"We are developing a portfolio of condiments and seasonings. We are working on highly competitive products for their quality of taste, scent and a number of properties that distinguish them. We want to test them first at home and then compete with key players. We have also ventured into cosmetic products under the brand Mizar, we expect to consolidate them locally, regional and transcend to other markets such as USA, Mexico, and the Caribbean Islands"**. They consider themselves as a non-traditional company. Their philosophy is not to cut costs by paying low prices to small suppliers of raw materials. The aim is to really help these producers, be their partners, negotiate profit increases and transfer them in fair percentages to the primary producer. This works as a motivation so they keep delivering top quality raw material.

Such a socially responsible and forward-thinking attitude has become a general trend in Nicaragua, thanks to a public-private dialogue which has helped to develop effective measures to foster economic growth, create jobs, and reduce poverty. Government officials, entrepreneurs and union leaders now meet periodically to discuss key issues affecting the business environment and to work on sustainable solutions.

Mixed public-private committees were created in order to follow up on agreements and to promote a better working relationship. One of the results of this dialogue has been a tripartite minimum wage agreement for the free-zone sector between the Government, the private sector and union leaders. It establishes a minimum wage increase as well as initiatives to improve labor conditions. So far, three editions of this agreement have been signed, providing investors with predictability regarding labor costs in Nicaragua. This dialogue mechanism has gained an international reputation as an example to be followed by other countries.

growth rate their country has reached in recent years. They aim to be socially responsible employers, too, which will prove more sustainable in the long run and raise the general standard of living in the country, even in rural areas.

This is exemplified by Nicasal, a 100% Nicaraguan company owned by the Salt Producers Cooperative in partnership with Agricorn, which is one of the most important local agricultural companies. It follows an inclusive business model, almost unique in the country.

In 2002, the project was started in order to help people in remote areas of low or zero agricultural production. The major challenge was that all the producers lived below the poverty threshold, so they were not bankable. In conjunction with National Government initiatives and the Interamerican Development Bank (IDB), they obtained financing that could become a capital transfer, a non-refundable loan, if the project was implemented, promoting sustainability in terms of profitability. Thanks to Agricorn's support, they finally received a 1.5 million loan from local banks to start.

The industry in Nicaragua has been very poor for decades and people, whose main economic support comes from this sector, live in extreme poverty. According to Mr. Carlos Rivas, Executive Director of Nicasal: **"10 years ago, producers barely earned 500 US-dollars per year, all they did was grind salt and bag it by hand without any added value, without mineral fortification, fluoride or iodine. Now, they receive up to 10,000 US-dollars, which makes a big difference to themselves and their families. Their children are now managing these small companies, we have trained them in accounting and planning. Other relatives pack the products, etc."**

Nicasal has strived to raise consumer awareness about the quality of its

100% Nica
Sabor, mucho sabor!!



MORTADELAS • SALCHICHAS • JAMONES • SALAMI
CHORIZOS • AHUMADOS • ENLATADOS • DELICATESSEN
PATES Ó CARNES MOLIDAS Y CONGELADAS

INDUSTRIAS DELMOR, S.A.

Km. 7 Carretera Sur, Apartado Postal # 2199
Teléfonos: (505) 2265-1637 • (505) 2265-1378 • Fax: (505) 2265-0164
E-Mail: ventas@delmor.com.ni • Web: www.delmor.com.ni
MANAGUA, NICARAGUA, C.A.

"The desired growth"

Nicaragua's construction industry is currently experiencing significant growth. The Ministry of Transportation has announced its intention to improve, maintain and upgrade current infrastructure, creating opportunities. The growth of the tourism industry will also require new infrastructure, including hotels and roads.

A few major infrastructure projects are in the planning stages, which could create additional growth. Problems related to lack of infrastructure such as roads, ports and airports could soon be solved if the planned bill on public-private partnerships is successful. The draft law on Public Private Partnerships to be presented by the Government was prepared in conjunction with private sector representatives. The relationship between the Government and the country's entrepreneurs is considered very positive.

Five years ago, a five-million-dollar project would have seemed huge in Nicaragua, but nowadays the big players are ventures beginning at ten million US-dollars.

Recognized businessmen like Mr. Frank Richardson, president of Ferrería Richardson, a hardware shop of great tradition between Nicaraguans, which foundation goes back to 1894, but still growing at a 20% annual rate analyzed the actual business environment. He shared: **"After having spent thousands of difficulties in the 80's, now local and foreign businessmen enjoy stability, growth and accessible prices to invest. The price of land is still cheaper compared to other countries in the region. The media class is incrementing, which is a good sign of development"**.

One major construction company has signed a contract with the Government to start construction of two sections of the Mulukukú-Siuna road, respectively 23 and 21 kilometers long. The new national stadium will cost 32 million dollars, and there are several major drinking water and wastewater projects under way, too, as well as two new hospitals. The health construction sector in general is very dynamic at the moment.

There is also continuous demand for housing projects. Nicaragua has an important housing deficit, mostly for low- and middle-income families. The Interamerican Development Bank (IDB) notes that 78 % of families in Nicaragua live in inadequate housing, lacking access to basic services. The construction sector will be investing over 300 million USD into several housing projects, generating 120 000 jobs, according to official sources.

One major actor in this industry is **New Century Builders, S.A.**, belonging to an international consortium of building companies which established itself in the country to satisfy the growing demand for housing. It builds houses for every segment of the population, with affordable prices, allowing all its clients to buy a home of excellent quality and at a very good price.

As New Century President Alex de la Cruz explained, **"Since we started in Nicaragua, we have evolved and now cover the entire process from sales to acquisitions, from a project's infrastructure to the actual building of the houses. We have over 200 employees, but we**

also work with sub-contractors which represent another 200 people, so that we directly and indirectly generate over 400 jobs. Since we also endeavor to use local building materials, we work with different factories for doors, windows, and kitchen cabinets. In total this represents another 100 jobs, so we employ over 500 people in this country".

Mr. De la Cruz's vision for the next 5 years is to keep following the demand and the needs of the Nicaraguans, and to find the best possible sites to realize these projects. He specified that **"We work very well from 500 housing units upwards, this is the scale we need to earn something and to attain our objectives. We are ready to go to many different places in the country to seek out new opportunities and keep growing"**.

New Century's president, himself originally from Panama, worked in Miami for many years and is currently living there. He is passionate about Nicaragua, its natural beauty and its welcoming population. His observation is that **"many people here dream of going to the US, but the lifestyle there is very different, very tiring. In Nicaragua on the other hand, the quality of life is excellent. Many Americans want to come to Nicaragua for its tranquil lifestyle. I know many people of Nicaraguan origin who are living in the US yet dream of returning, they want to own houses, be it for their parents or their children, they work hard in the US to pay for a home in Nicaragua"**.

The booming construction of retail space and office towers further drives demand for equipment and materials.

This upbeat climate creates a high demand for a specialized workforce, and some industry leaders are already fearing a shortage of adequate workers, causing them to appeal to Nicaraguans living abroad to consider moving back. Businesses have started to invest in training their own young employees according to their needs.

A good example of this is **Alvia Comercial**, an importer and distributor offering high quality and competitive prices on the international market. Their suppliers are located in different parts of the world. The company produces windows, doors, facades, ceilings, and any type of glass panes from the simplest to the latest generation of glazing for security, energy-saving, heat reduction or solar-control purposes.

Alvia Comercial recently opened a third sales outlet in Managua. The new building showcases their portfolio in architectural systems, in aluminum and glass.

Timely delivery of products and team work are the key to this company's success. **"Our stocks are centralized in Managua. However, we deliver our products all over the country, through our expanding vehicle fleet. We invest heavily into training our personnel. Our sales team is very strong. We care a lot about our employees"**, explained Mrs. Melba Ortega, founder and president of Alvia Comercial.

Their vision is to offer quality products, to keep growing and to maintain their leadership. **"I want to develop**



ALEX DE LA CRUZ
PRESIDENT OF
NEW CENTURY BUILDERS S.A



MELBA ORTEGA
PRESIDENT OF
ALVIA COMERCIAL

new products in partnership with our manufacturers to produce exclusively for our requirements and register our own patents. We currently do it on a small scale, we have developed 5 sets. This is one of our strengths, and we plan to expand it in the future", said Mrs. Ortega.

"You don't have to be great to start, but you have to start to be great" - this phrase by Zig Ziglar perfectly describes the leader of this company. This brave woman started this journey with her husband after working in an aluminum extrusion factory for many years. At that time, the political and economic context was far less stable than it is today. **"We were aware that the construction sector should be one of the engines of the economy and with hard and honest work, our company was going to be part of that development"** concluded Mrs. Ortega.

If you are looking for freight solutions, the **Aimar Group** offers one company for all your global logistics needs. It was founded in 1991 as a shipping agency in Guatemala, El Salvador and Costa Rica, then expanded throughout Central America under the "Aimar" brand.

They provide customized services to fit your needs and have regular world-wide sailings for FCL (Full container loads) and LCL (Less than container loads) for both ocean and air. Aimar offer local truck delivery services as well as Central American bonded services and have their own bonded warehouses in each country. Their in-house customs house brokerages in each location help

with sending your cargo to its final destination.

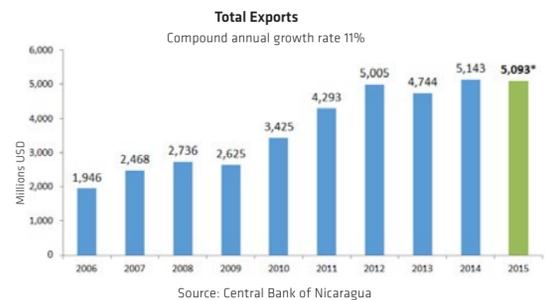
With over 20 years in the market, they ship to Europe (England, Germany, Italy, Spain), North America (USA, Canada, Mexico), South America (Brazil, Colombia, Argentina), and Asia (China, Korea, Japan).

Their strength lies in the fact that they offer the full range of logistic requirements: warehouse services, the already mentioned custom house brokerage, FCL and LCL ocean freight, air and land freight, logistics solutions, inspection services, P.O. boxes, vessel tramp and liner services, as well as a ship brokerage service.

Through their different representations and their expansion, and thanks to their excellent service, attention to detail and customer service focus, the Aimar group now dominate the market on the routes they represent, moving over 20,000 containers per year throughout Central America.

Aimar offices operate independently in each country (Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama), with financial controls and reporting systems centralized through headquarters in Guatemala City, Guatemala.

In 2007 the Aimar Guatemala offices earned ISO 9001 certification for quality-controlled operations, followed by Aimar El Salvador in 2009. All offices are expected to be certified in the coming years. One container at a time, year after year, Aimar is helping to put Central America on the global map.



No longer rated: "Heavily indebted poor country"

Nicaragua's general macroeconomic context has stabilized: deficit and debt are under control despite the significant drop in international aid. Its crawling-peg-type exchange rate, whereby the local currency (Córdoba) devaluates by 5 percent annually against the U.S. dollar, helps the country's exports to remain competitive. For 2016, the average exchange rate is C\$28.62 Córdobas for every dollar. This successful system assures a high level of currency stability.

No longer rated as a "heavily indebted poor country", Nicaragua lost access to special, extremely advantageous loans and is seeking to diversify its capital sources. It has reached more diversification of FDI inflows into the country, going from 22 countries in 2007 to 40 countries in 2014, which represents an 81 percent growth. Specifically in 2014, the top five countries of origin of FDI inflows were the United States (20%), Panama (14%), Mexico (13%), Venezuela (13%) and Spain (6%), which together represented 66 percent of the total inflows of the country.

Foreign Direct Investment inflows into Nicaragua reached US\$1,446.8 million in 2014, which represented a 4 percent increase compared to 2013. Nicaragua's FDI inflows registered a compound annual growth rate of 22 percent between 2005 and 2014; the top five sectors were industry (40%), telecommunications (13%), financial services (11%), energy (10%) and mines (9%), which represented 84 percent of total foreign direct investment inflows in 2014. The FDI-increase supports the country's

secure and stable business climate and solid legal framework. Foreign investors are impressed with the way the Government manages the economy and they feel supported when they come to Nicaragua. The Tax Conciliation Law (Bill 822) provides numerous tax benefits (waivers and exemptions) to certain productive sectors of the economy, in order to promote their growth and development.

The finance sector also received a boost from Bill 769, the "Law encouraging and regulating microfinances", passed in 2011, and by the creation of the National Microfinance Commission (CONAMI), which began operating in 2012.

The new law seeks to improve interest rate transparency. Microfinance institutions are free to set their own rates, but regulation forbids adding other fees and imposes upper limits on charges for delayed payments. The finance sector hopes that the new norms will improve financial inclusion in the country.

This is of particular concern with regard to women, who not only need financial support, but through money are seeking to be treated with dignity and to be value. added Mrs. Gloria Ruiz an energetic and vast experienced woman, now General Manager of Promujer. Promujer is one of the most successful microcredit organizations in Nicaragua established since 1996, specializing in empowering women with limited resources so they may realize their potential. It enables them to take part in the economy

through micro-enterprises, self-employment and micro sales facilities. The progress in Nicaragua has been very successful, it currently supports more than 49 thousand women with a portfolio of USD 18 million, in different departments and communities. It does so very successfully, as the international rating agency Moody's recognized in 2013 by ranking them SP2, the highest "mark" in Latin America in the "management of social performance" assessment. Successful women have been shown to be the key to their children's future, which is why they are often targeted more specifically by microcredit institutions.

Another such responsible financial services provider is **Financiera Finca**. With headquarters in Washington, DC, the FINCA group reaches over 1.8 million clients through its 23 subsidiaries in Africa, Eurasia, the Middle East and South Asia, and Latin America. Their outreach is among the broadest and most comprehensive of today's microfinance networks. Present in Nicaragua for more than twenty years to date, FINCA's credits have helped to improve the quality of life of many Nicaraguans. 75 % of recipients are women.

Klaus Geyer, general manager for FINANCIERA FINCA in Nicaragua, emphasized that **"FINCA began in 1992 as a trust focusing on contributing to the development of lower income families. This happened through credits mainly directed at women, although it also counts men amongst its good clients. We are happy that women have access to something that contributes to the development of families and small businesses."** Mr. Geyer, who has been working for FINCA

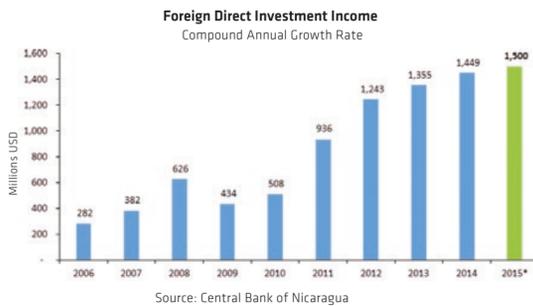


KLAUS GEYER
GENERAL MANAGER OF
FINANCIERA FINCA

since 1993, is proud that his company invests so much into developing the skills of its 411 employees through further training. This is how he makes sure they will always offer the best services to Finca's 50 000 clients.

In 2011 FINCA underwent the formal transformation from a non-profit organization to a financial institution offering both individual and group loans.

Finca Nicaragua's goal is to become the financial institution offering most services for most people at a reasonable cost, giving sound advice and removing barriers to entry into the system. Savings account can be opened with contributions as low as USD1. In the 1980 the aim was to find a way to include more people from rural areas. This is still ongoing, but today Finca also wants to get there as responsibly as possible, to avoid people falling into over-indebtedness. Finance with a conscience - the good results speak for themselves.



Financiera FINCA

CREATING brighter futures

FINCA is leading the way in expanding access to financial services in underserved, low-income communities.

www.FINCA.com.ni

Building Tomorrow Together

Disfrutá De Tu Nuevo Hogar En Nicaragua

www.ciudadeldoral.com.ni / Residencial Ciudad El Doral

www.praderasdelmombacho.com.ni / Residencial Praderas Del Mombacho

20 años
es tan sólo el inicio

"No tienes que ser grande para comenzar, pero tiene que comenzar para ser grande"
Zig Ziglar

Aimar group
Regional Logistics

Global and total undertaking.
Your business, your shipment always on time.

www.aimargroup.com

GUATEMALA (502) 2329-8200 / EL SALVADOR (503) 2299-7900 / HONDURAS (504) 2564-0099
NICARAGUA (505) 2253-8760 COSTA RICA (506) 2291-1244 / PANAMA (507) 270-0466 / BELIZE (501) 223-3101

"High level education"

Keiser University is a prime example of a successful international expansion into Nicaragua's growing higher education market.

Our goal is to educate as many future leaders as possible."

Founded in 1977, Keiser University is Florida's second largest independent private not-for-profit university, serving approximately 20,000 students in more than 90 career fields. It includes 17 Florida campus locations, an offsite campus in Shanghai, China, and the campus and Language Institute in Nicaragua.

Keiser University arrived in Nicaragua in 2013, where it established an off-campus instructional site at the former location of the Latin American Campus of Ave Maria University. As founder and chancellor Dr. Keiser explained, "We are excited about being in Nicaragua.

The language institutes in San Marcos and Managua now number close to 2250 students. The University counts about 500 students, with around 30 faculty members. Tuition fees hover around 16,000 USD, with scholarship opportunities. The University keeps growing with new programs, including an MBA, and online courses that are particularly attractive to young parents who cannot attend classes full-time. Those who wish to expand their international experience benefit from an extensive campus network in America, Asia and Eastern Europe. Dr. Keiser points out that he is always on the lookout for new partnerships.

Keiser University's reputation in

Nicaragua is excellent, as its students are known to find employment straight after graduation, thanks to a curriculum geared towards local human resource needs. "If you look outside our building, we are surrounded by big multinational companies from the USA. Those companies are investing in Nicaragua", underlined

Campus president Matthew Anderson. But it's a two-way street, he said: "students can come here to enjoy small classes led by outstanding professors, and to discover a new culture. We have beaches, eco-tourism, all kind of things to do, and on top of that, we offer a great education."

KEISER UNIVERSITY
Latin American Campus

Think Success!
Think Keiser!

Experience the Advantage!

- U.S. degree
- Multicultural experience
- Warm and safe environment
- Located in Nicaragua: beautiful destination for tourism and social outreach
- Qualified and prestigious faculty
- International bilingual education
- Study abroad programs
- Successful graduates

Nicaragua • Tel.: (505) 2538-2314 • Toll Free: 1 (800) 999-1885 • admisiones@keiseruniversity.edu • www.keiseruniversity.edu/n

"Undiscovered beaches, volcanoes, forest, islands"

The Nicaraguan tourism sector has enormous potential. The small country boasts no less than three very distinct climate zones. There is the relatively hot Pacific coast with its gorgeous beaches, its string of volcanoes, and a rich history of Spanish colonization. Further inland lay the cooler mountains, with their coffee plantations and rural charm. Last but not least, the humid, tropical Caribbean coast, which developed its own character during its time as a British protectorate.

displacing populations from their environment or which would not value the Nicaraguan idiosyncrasy, culture or gastronomy."

The Government has created the right legal framework and is doing its best to attract major hotel chains in order to raise the country's profile, but it also prioritizes small local enterprises, which represent more than 70 % of the present market. Special incentives and financial instruments have been set up to support them. INTUR is confident that international investors will appreciate the personal, legal, economic and macroeconomic security that Nicaragua enjoys.

Many important projects are currently under way which vouch for the country's safe investment framework. For 2016 alone, 34 projects benefit from the tax incentives offered by law number 306, and 13 more projects are undergoing the approval process.

There are plenty of opportunities for international investors in the many sectors where the Government wants to see progress happen as quickly as possible, amongst them transportation, energy, connectivity, telecommunications, and drinking water.

Diversifying the range of holiday experiences on offer and creating a unique profile for Nicaragua at the international level are clear objectives of public policy.

This is why entrepreneurs like Gemma Cope, British founder of Green Pathways, are so important. Her story is inspiring, and she tells it best in her own words:

"I first came to Nicaragua in 2007. My first stop was Leon. I spent 6 months working with a British organization. During that time it became clear that investing in tourism held great opportunities. Nicaragua was still very young and unknown, but had so much potential.

In 2008 I became the owner of Bigfoot Hostel and Volcano Boarding. Boarding down an active volcano at high speeds! How could this not work? This was a great learning curve on how business worked in Nicaragua and in the small city of Leon. At the time Leon only had a handful of small hostels. Bigfoot definitely became one of the largest hostels very quickly.

We were very lucky. The NY Times wrote an article which really had a big impact on the business and on Leon as a whole. Nicaragua and volcano boarding were featured on the front page of the NY Times Sunday travel section. This brought an influx of travelers to the city and to Nicaragua. After this, we were soon featured in over 30 different



GEMMA COPE
FOUNDER OF
GREEN PATHWAYS



ING. CRISTHIAN A. VILLALTA
GENERAL MANAGER OF
HOTEL SEMINOLE MANAGUA

newspapers and magazines across the world. Nicaragua was slowly changing from a quick three-day-extension of a Costa Rica trip to its own destination."

In 2010 she created Green Pathways, a tailor-made travel company specializing in sustainable tourism. It has since expanded from Leon throughout the country.

Today, 70% of Ms. Cope's clients come from the United States and Canada, the remainder from Europe. Over the last five years she has seen an increasing number of Europeans coming to Nicaragua. Flight connections are easier and prices are sinking.

Ms. Cope agrees with INTUR that customer service needs to become a key focus within the industry. She also mentions guide training: "guides are the ambassadors of the country and they need to match international standards". She believes staff training needs to be a joint initiative of private business owners, the tourism board and unions.

As someone who helped put the country on the global map, Gemma believes that "Nicaragua still holds so much opportunity. There are still so many gaps in the tourism market. I believe the country hasn't even reached half of its potential. My only hope is that the development in the tourism sector is done in a sustainable way".

A high-end eco-tourist hotel, Aqua Wellness Resort with wooden cabins, built as luxury tree houses is located in Tola, Rivas. A beautiful and potential property was built and acquired by a husband and wife team, Trevor Barran and Karin Eigner, who in partnership with their parent company Lionheart capital, are redeveloping it as a Six Senses. The investment is around USD 30 to 40 million. They moved there and until today, they have worked it day by day to be recognized in international markets as a high-end tourism with the seal of Nicaraguan labor.

"They were the visionaries in investing and making from it an unique experience in the country. The actual Government has been an essential partner because they have supported developers with progressive incentives, under a framework of effective policies, and ease of permits. In Central America, today Nicaragua is one of the countries attracting more investments, if not the first," added Francisco Montoya, Business Advisor of Aqua Wellness Resort.

One of the goals of the company is to progressively hire local people, get involved with the community so that they can grow and improve their standard of living. They are a company that cares about the value added to the community, not only the investments.

Their customers mainly come from Boston, New York, California in United States and Toronto in Canada. Flights connections are a key element to get into new markets. "Costa Esmeralda Airport was recently opened and it is a huge opportunity for us. Thanks to this infrastructure development, our high profile clients can land their private jets directly here. This airport has all conditions even for international flights to Houston or Atlanta, to come to Nicaragua is becoming very easy," concluded Mr. Montoya.

In Managua, the four-star Seminole Hotel provides a perfect base for international business travelers, only 20 Km from the airport (a free shuttle is provided). Easily recognizable with its attractive deep red facade, it is located in a particularly safe area right at the center of the Financial and Entertainment district of Managua city. Centroamericana University and Metrocentro, Managua Metropolitan Cathedral and the Japanese Park are close by. Governmental organizations, embassies and international companies are also situated within walking distance. The hotel provides excellent service, ensuring the best possible context for foreign investors staying in Managua to explore business opportunities.

The Seminole offers restaurants, an outdoor swimming pool to enjoy the tropical atmosphere, a lounge bar, a health and beauty spa, a sauna with jacuzzi and a fully equipped and air-conditioned gym. The entire premises are smoke-free.

Meeting and business centers with the latest audiovisual technology are equally available for events and seminars, including two conference centers and complimentary Wi-Fi (14mb). All 84 rooms also offer free high-speed Internet access.

The Seminole Hotel is committed to its clients by providing a unique experience of Nicaraguan hospitality, making them feel special through personalized attention and the highest level of international gastronomy in its restaurant. The Terrace Bar also offers food and cocktails for lunch or simply to wind down with friends after work.



PUERTO RICO



ELIZABETH PLAZA Y VICTOR SÁNCHEZ
PHARMA BIO SERV

The beautiful island of Puerto Rico, just 110 miles long and 35 miles wide, is also known as the gateway to the Caribbean. The capital city of this "island of enchantment" is San Juan, which is also where the country's heart beats, as it enshrines innovation in a historical setting of colorful facades, vintage watchtowers, and cobblestone streets. Spanish and English are Puerto Rico's official languages, and most Puerto Ricans speak English.

With numerous tourist attractions (a rich culture, amazing beaches and forest destinations), Puerto Rico is a great place to establish, expand and invest in your business, and to enjoy a tropical vacation - after all, tourism represents 6% to 7% of GDP.

The island's other strengths are pharmaceutical, electronic, and food products. Because of its special relationship with the US, Puerto Rico can now choose to grant tax exemption decrees to businesses that are of strategic interest and create employment. "This is the basis of the second great transformation of Puerto Rico, we are becoming a hub selling services to the rest of the world. We now sell all kinds of services in a context where computer networks allow you to trade around the globe" explains Alberto Bacó, Puerto Rico's Secretary of Economic Development.

Mr. Bacó also believes that the island's entrepreneurial youth are key to modern Puerto Rico's evolving economy.

Now is the perfect time to fly over to Puerto Rico, invest in the country and fall in love with the aptly named "island of enchantment".

You cannot describe the Puerto-Rican manufacturing sector without mentioning **Pharma-Bio, Serv**, a Puerto-Rican based regulatory and compliance consultancy company founded in 1993. The company uses its expertise to deliver state-of-the-art services to its client base. Pharma-Bio Serv has been expanding its services to meet its customers' needs from technology transfer to process validation, from quality systems and regulatory compliance to the management of projects ranging from engineering to commissioning and qualification. In 2002, a new division called Pharma Serv Academy was founded to provide training to their customers. They have also been involved extensively with the boards and committees of associations such as PDA, ISPE, PRMA and PIA. In 2008, they built Scienza Labs, a microbiology testing laboratory facility for customers who need additional testing capacity or who are looking to outsource their laboratory operation. In 2009, they expanded this facility to analytical chemistry.

For its renowned international clientele, Pharma-Bio Serv has branches in several countries including Italy, Spain, Ireland, USA, and Brazil. "Additionally, Pharma-Bio Serv opened an office in Los Angeles in 2013 to better serve our clients in such an important region for our industry. We like to say about ourselves that we are a global company providing local solutions. California is an important region for the development and manufacturing of pharmaceuticals, thus we are present there with a great team of experienced consultants focused on serving our California customers locally", explained Elizabeth Plaza, founder and chairwoman of Pharma-Bio Serv. She is a visionary and talented Puerto-Rican, considered by the magazine Caribbean Business to be one of the most influential businesswomen in Puerto Rico. Thanks to her entrepreneurial spirit, Caribbean Business has been ranking Pharma-Bio Serv as the top regulatory compliance and Validation Company on the island since 2003. In 2004, the company created a social responsibility program for children and in 2006 it was named a "Top-20-Employer" in Puerto Rico.

Pharma-Bio Serv will soon expand into the Latin American market. As Elizabeth Plaza mentioned: "We constantly study what is happening around the world, and I see part of our growth coming from that region. For instance, we have just registered a subsidiary in Sao Paulo, where we already work with multinational as well as local companies. We have identified Latin America as a region which will benefit greatly from our experience and background in FDA regulations. More recently, we also established a calibration division, Metrologix. I grew up with GMP in my DNA. When I visit other countries and speak about regulation requirements, I realize how much we can contribute on the basis of that experience."

The manufacturing sector, historically considered as the pipeline of the Puerto Rican economy, is the largest employer in Puerto Rico and remains competitive in terms of labor cost and productivity. Pharma-Bio Serv helps manufacturers ensure the best practices and checks to stay competitive in their industry.



JOSÉ FELICIANO
PRESIDENT OF
GRUPO FELCON

Bearing that in mind, the company would like to replicate its core business and offer its expertise to help other countries' economies succeed in this specific sector.

The automobile industry is another sector deserving a special mention as a key component of the island's economic activity. Buying a car is one of the biggest investments a local consumer will make in their lifetime. Around 88 percent of the active population depend on their car to move around, according to industry estimates. In 2014, the local car industry generated USD 392 million in excise taxes, representing 13.9 percent of the Government's total excise tax revenue, the highest contribution of any sector. "The tax applies to all imported cars and can vary between 20 percent and 35 percent", explained José Feliciano, president of Grupo Felcon.

His company was founded in 2008 as a Toyota dealership in San Sebastián. In 2011 a Toyota and Scion dealer opened in Arecibo. The Mayagüez branch started in 2010, and Grupo Felcon is now considered as an industry leader thanks to its commitment to its clients. The company stands out because it offers the best value in its sector and is dedicated to being of service to the island, generating considerable direct and indirect employment.

"Between the three dealerships, we employ a total of 150 people. Our sales amounted to USD 101 million last year, it was our best year since 2008", reported Mr. Feliciano.

"We are very ambitious, we want to keep growing, thanks to a strategy which has brought us excellent results. Here in Puerto Rico we have a great sales team (they're all Puerto Ricans) and we are looking for opportunities to expand with the same brands we already carry." He added that "we have extraordinary universities in this country, accredited by several US entities, our work force is highly qualified."

As regards Toyota, they are currently integrating into the Toyota network in the US, since Puerto Rico is preparing to become the 51st state of the Union. This should also be helpful for their other brand, Ford, which is positioned to expand towards emerging markets. "In 5 or 10 years we'll be present in the Caribbean, our advantage is that we are bilingual Caribbeans".

Mr. Feliciano sees many reasons for foreign investors to choose Puerto Rico: the quality and friendliness of the local workforce, the warm climate, and the unique relationship with the US. Puerto Rico is a strategic air transport hub towards North America.

www.pharmabioserv.com

PHARMA-BIO SERV

Pharma-Bio Serv US, Inc. is a leader provider of validation, regulatory affairs and compliance services throughout the product lifecycle.

With over 22 years of experience in the health sciences industry we have a team of professionals committed to achieve your goals.

Expertise includes:

Validation
(CQV, Tech Transfer, Process, Cleaning, CSV, QbD)

Regulatory Affairs
(CTD, CMC, NDA, BLA, 510K, PMA, Briefing Packages)

Compliance
(Quality Systems Support and Proactive Compliance, Remediation, Third Party Audits, Investigations, CAPA, SOP's, Human Errors Reduction, Training)



Call or email us for free consultation!
info@pharmabioserv.com

545 West Germantown Pike Suite 200
Plymouth Meeting, PA 19462
+1 215 997 3310

5757 W. Century
Los Angeles, CA 90045
+1 310 426 0303

United States | Puerto Rico | Ireland | Spain | Brazil

Green Pathways

THE LEADING BESPOKE TRAVEL COMPANY IN NICARAGUA
SPECIALISING IN TAILOR MADE WILDLIFE AND ADVENTURE TRAVEL

WWW.GREENPATHWAYS.COM

RESERVATIONS@GREENPATHWAYS.COM ♦ +505 7877.2940

Seminole
HOTEL
MANAGUA

Driving Puerto Rico's Future

Felcon TOYOTA Ford Scion

For info: 1 (787) 919-0303