



The Keys to Restarting Nicaragua's Stalled Talks

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Principal Findings

What's new? A year after countering a civic uprising with lethal force, President Daniel Ortega's government has reached agreement with Nicaragua's opposition on two issues: releasing all political prisoners and strengthening citizens' rights. Despite significant progress on these fronts, talks about electoral reforms and justice remain on hold.

Why does it matter? Nicaragua's economy is collapsing and Ortega faces deepening international isolation. But he still can resolve the crisis through dialogue. The alternative would likely be renewed clashes between state and opposition supporters and expanded international sanctions.

What should be done? President Ortega and the opposition should fully implement their existing agreements and convene a third round of talks to tackle pending issues. The U.S., OAS and EU should welcome the advances, while making clear that if the government fails to meet its promises they will impose further costs on it.

Executive Summary

A chance still exists to resolve Nicaragua's simmering crisis peacefully. Talks between the government and opposition have been on-and-off, and marked throughout by a legacy of deep mutual suspicion following last year's brutal crackdown on street protests. Even so, under mounting international pressure and facing a severe economic downturn, President Ortega invited the opposition to resume dialogue in February. The two sides reached agreement on two issues: the release of hundreds of political prisoners and a commitment by Managua to respect citizens' basic rights. While major progress has been made, these still need to be fully implemented under international supervision for talks – currently on hold – to resume. The end result should be a broader settlement that meets both sides' core interests: a more level playing field in early elections and justice for the victims of last year's violence for the opposition movements, and a return to stability, lifting of existing sanctions and a lowering of tensions, both domestically and with international partners, for the Sandinista National Liberation Front (FSLN) government.

The Nicaraguan crisis erupted in April 2018, when unpopular social security reforms prompted mass demonstrations that police and para-police units met with lethal violence. However, fragile channels of communication between the two sides remained open and, unlike similar contacts between the government and opposition in Venezuela, at times relatively productive. In March, both sides agreed that those detained in connection to last year's uprising be released, charges against them dropped and that the government would restore citizens' rights, including those of peaceful assembly and freedom of expression. However, they made no more progress before 3 April, the deadline they had set for this round of negotiations, and talks have remained in limbo since. On 20 May, the opposition said it would withdraw from further negotiations until the government releases all prisoners. Since then, the government has freed almost all remaining prisoners – a move that the opposition applauded – and passed an amnesty law to annul charges against them.

Fresh talks toward a comprehensive deal are critical to avoiding another escalation and should happen soon. The opposition and international actors should welcome the government's prisoner releases thus far, while seeking clarification on the status of 200 other reported prisoners and the legal charges most of those released still face. Opposition factions should bridge internal divides and develop a more coordinated strategy and realistic demands, recognising that the next round of talks may be prolonged, President Ortega will likely not resign and elections, even if held early, will not take place within months. The Organization of American States (OAS), EU and U.S. should maintain the threat of further sanctions if the government impedes progress. Sanctions, if they become necessary, should be calibrated: multilateral not unilateral, targeted at key officials and businesses, and paired with benchmarks for how they could be lifted. To monitor compliance with accords, regional and multilateral bodies, including human rights delegations, should be allowed back into Nicaragua.

Assuming the parties resume talks, they should aim for agreements on two core issues:

- ❑ Credible and possibly early elections, albeit not prior to late 2020 in order to allow sufficient time for essential electoral reforms. These should draw on past agreements between the government and OAS, and include reform of the Supreme Electoral Court.
- ❑ The establishment of a Truth Commission composed of both opposition and government-appointed representatives, potentially with international expert participation. Its mandate should go beyond investigating and ensuring accountability for last year's violence by assessing the root causes of Nicaragua's recurring cycles of armed conflict.

President Ortega agreed to resume talks almost certainly in order to preserve his rule at a moment of acute economic and political weakness; much of his negotiating strategy has been to stretch talks as much as possible and exhaust the opposition. This approach is risky, since opposition and foreign powers could lose patience, leading to a heightening of the regional and international pressure Ortega is determined to lessen. In releasing most political prisoners, Ortega himself appears to have opted for the wiser course. He should now build on this commendable gesture, fully implement existing agreements and seek a lasting settlement that could help his government escape international condemnation and fresh sanctions, prevent worsening economic distress and stave off future unrest.

Bogotá/Brussels, 13 June 2019

The Keys to Restarting Nicaragua's Stalled Talks

I. Introduction

Just over a year ago, Nicaragua, the second poorest country in Latin America and the Caribbean, was engulfed by a sudden, massive yet largely unpredicted uprising against President Daniel Ortega's government. Formerly head of the revolutionary government that took power in 1979 after the left-wing guerrilla Sandinista National Liberation Front (FSLN) toppled dictator Anastasio Somoza Debayle, Ortega waged a ten-year long civil war against a U.S.-sponsored insurgency before losing elections in 1990 and handing over power. Even out of office, however, he maintained a tight grip on national institutions. On returning to power in 2007, he steered the country toward rapid economic growth and some of Central America's lowest rates of criminal violence, albeit at the cost of eroding democratic checks and balances. Public discontent erupted in April 2018, when social security reforms prompted mass protests.¹ Thousands took to the streets to demand change, but were met with violence by police and para-police units, resulting in hundreds of dead, chiefly on the protesters' side.²

The government and protest leaders have twice endeavoured to settle differences through talks. The first round started in May 2018 when, at the height of protests, the government called for a national dialogue. Created by Catholic church leaders as a means to represent the protesters and disgruntled business leaders at these talks, the Civic Alliance for Justice and Democracy gave a face to what was a scattered and largely spontaneous opposition movement.³ President Ortega's main interest in these negotiations was to lift the *tranques*, makeshift barricades set up by protesters along major highways that had paralysed the country. But with talks faltering due to ongoing state violence and protesters' refusal to lift the barricades, Ortega opted to clear the roads by force, scatter demonstrators and abandon talks in July 2018. Over the ensuing months, he displayed scant interest in reviving negotiations, having virtually cowed all social unrest. An unexpected second round of talks nevertheless kicked off in February this year, resulting in the signing of two agreements that committed the

¹ For more on Ortega's system of rule and last year's events, see Crisis Group Latin America Report N°72, *A Road to Dialogue After Nicaragua's Crushed Uprising*, 19 December 2018.

² As of 15 February, the Inter-American Commission for Human Rights reported 325 deaths in relation to last year's uprising. The Nicaraguan Truth, Justice, and Peace Commission, which is close to the government, has reported 253 deaths in relation to last year's protests. The Nicaraguan Association for Human Rights counted 568, whereas the government acknowledges only 199 dead. "Annual report 2018. Chapter IV B. Nicaragua", Inter-American Commission for Human Rights, 21 March 2019. "III informe de la Comisión de la Verdad, Justicia y Paz a la Honorable Asamblea Nacional". Comisión de la Verdad, Justicia y Paz, 5 February 2019. "ONG establece en 568 el número de muertos en crisis de Nicaragua", *El Diario*, 4 April 2019.

³ The Civic Alliance comprised members of four private sector organisations, the *campesino* (farmers) movement, groups representing Nicaragua's regions, students, and civil society.

government to release hundreds of political prisoners before 18 June and respect citizens' basic rights.⁴

This report assesses progress the dialogue has made, explores its failings, and suggests concrete steps that national and international actors, particularly the OAS, EU and U.S., could take to move toward a third round of talks and resolve outstanding issues. It is based on dozens of interviews between January and June 2019 with diplomats, church and civic leaders, academics, security, human rights and transitional justice experts, victims' organisations and opposition groups, including student organisations, private sector bodies and politicians in Nicaragua, and Nicaraguan exiles in Costa Rica. It was not possible to speak to any government official, despite several requests, so the report draws on official statements and pro-government media articles and conversations with the government-appointed Truth, Justice, and Peace Commission.⁵

⁴ For more on the reasons behind resuming of the national dialogue, see Crisis Group, "A Thaw or a Trap? Nicaragua's Surprise Return to Dialogue", 6 March 2019. "Asimetría y desequilibrio político en la negociación", *Confidencial*, 25 March 2019.

⁵ The Commission was created by the FSLN-controlled National Assembly amid protests, on 29 April. The appointment of its five components was not preceded by prior consultations with civil society or victims' representatives, according to the Inter-American Commission on Human Rights, which handed some recommendations to the government in order to guarantee its legitimacy. The opposition accuses it of being lenient toward the government. "Graves violaciones a los derechos humanos en el marco de las protestas sociales en Nicaragua", Inter-American Commission on Human Rights, 21 June 2018, p. 84.

II. Returning to the Negotiating Table

Ortega had good reason to resume negotiations with the opposition. Although he maintains support from the principal state institutions and the security forces, above all from the police, his position has become more tenuous, and some former allies have started defecting.⁶ Gloomy economic prospects, his declining domestic popularity and growing regional and international pressure on both his government and key ally, Venezuela seemingly persuaded the president and first lady as well as Vice-President Rosario Murillo that the best chance for political survival lay in returning to the negotiating table.⁷

The economic prognosis arguably played a key role, given that growth in the country is highly dependent on its private sector, which has been a crucial component of the opposition since the eruption of last year's protests. Indeed, there are few signs that Nicaragua can return to growth absent a negotiated settlement that carries business leaders' confidence. Last year's wave of political violence erased the hard-won trust of international financial markets and multinational corporations achieved under Ortega and his predecessors. Nicaragua saw its financial indicators and economic outlook downgraded by all main financial ratings institutions, while its economy contracted by around four points in 2018, according to various sources, including the same Nicaraguan Central Bank.⁸ Foreign currency reserves dropped by a third and now stand below two billion dollars.⁹

The outlook for 2019 appears equally grim. The International Monetary Fund recently revised its economic forecast from a 1 to a 5 per cent fall in GDP.¹⁰ Others predict a far steeper drop.¹¹ In fact, the absence of credit lines and the effects of a controversial February tax reform have increased production costs between 20 and 28

⁶ Attorney General Hernán Estrada, one government minister, and at least two judges from the Supreme Court of Justice have resigned so far, including Rafael Solís, who was best man at Ortega's wedding to Rosario Murillo in 2005. While the first cited health reasons, the latter three signed a letter decrying the presidential couple for their management of the crisis. "Nicaragua closer to new civil war than ever before, judge warns", *The Guardian*, 11 January 2019.

⁷ According to the 2018 Latinobarómetro survey, the government's approval rating dropped from 67 to 23 per cent in the space of a few months last year, while overall trust in security forces and other institutions halved. A recent national survey by Borge y Asociados suggests these low ratings have remained relatively stable since then, with 22 per cent of interviewees saying they would still vote for Ortega, though 41 per cent identify as Sandinistas. "Informe 2018", Corporación Latinobarómetro, 9 November 2018. "El 87 por ciento de los nicaragüenses está a favor del diálogo", *El Nuevo Diario*, 21 March 2019.

⁸ "Banco Central de Nicaragua: Economía decreció 3.8% en 2018", *El Nuevo Diario*, 31 March 2019. "Los cambios aplicados por las calificadoras de riesgo en la región en 2018", *Estrategia y Negocios*, 19 February 2019.

⁹ "Reservas internacionales caen 33.1 por ciento en solo nueve meses en Nicaragua", *La Prensa*, 8 April 2019.

¹⁰ See the October 2018 and April 2019 World Economic Outlook reports by the International Monetary Fund at: <https://bit.ly/2VEBZPG>.

¹¹ The Nicaraguan Foundation for Economic and Social Development (FUNIDES) estimates that GDP will fall by between 7 and 11 per cent this year, while economist Nestor Avendaño fears it might nosedive by 20 per cent. "Without a political agreement, Nicaragua's economy goes into free fall", *Confidencial*, 10 April 2019.

per cent and are likely to hit the exports sector, which accounts for around half of the country's GDP.¹² The \$100 million and \$200 million-dollar loans respectively offered by Taiwan and the Central American Bank for Economic Integration provide short-term relief. But averting an economic freefall will largely depend on resolving the crisis in a manner that meets some of the opposition, civil society's and private sector's aspirations.¹³

The threat of further sanctions, particularly after U.S. measures against Venezuela, also influenced Ortega's calculus. Tellingly, he announced the talks just two days before the Venezuelan opposition's commitment, with many foreign countries' backing, to bring humanitarian aid into Venezuela, which was widely – though erroneously – perceived at the time as a tipping point in that crisis.¹⁴ The U.S. has already imposed three rounds of sanctions against Ortega's inner circle, including his wife and eldest son, while measures freezing revenue from Venezuela's state-run oil corporation PDVSA hit the company's Nicaraguan joint venture, Albanisa, and its subsidiary bank BANCORP, which requested permission from the country's banking regulator to cease operations on 24 April.¹⁵ The EU has also threatened sanctions, while in January the OAS began discussing, at its secretary general's request, the Inter-American Democratic Charter's application to Nicaragua, which could mean the country's expulsion.¹⁶ This in turn would further isolate the country and possibly endanger its access to international credit.

But if by embracing dialogue Ortega intended to ease foreign pressure, he met with only mixed success. Although he has averted EU sanctions for now, senior U.S.

¹² Crisis Group interview, member of the Civic Alliance and private sector, Managua, 5 April 2019.

¹³ Prominent actors in the Civic Alliance are the Superior Council of Private Enterprise (COSEP), the American Chamber of Commerce (AmCham), and the Agriculture and Livestock Council (UPANIC).

¹⁴ Many observers saw the planned entry of aid on 23 February as a potential turning point in the struggle between Maduro and National Assembly chair Juan Guaidó. The failure of that effort – for reasons described in Crisis Group Commentary, “Will pressure bring down Venezuela's government?”, 9 April 2019 – arguably encouraged Ortega to harden his negotiating position.

¹⁵ Sanctions were imposed under the Global Magnitsky Act in July 2018 on Francisco Díaz, chief of the national police force; Fidel Antonio Moreno Briones, secretary of the Managua mayor's office; and Francisco López, treasurer of the country's ruling party. President Trump signed an Executive Order in November sanctioning Vice President Rosario Murillo and National Security Adviser Nestor Moncada Lau. In an attempt to circumvent U.S. sanctions on PDVSA's related businesses imposed in late January, the Nicaraguan government nationalised Bancorp on 7 March, but the bank, together with President Ortega's son Laureano Ortega, was later directly targeted by U.S. Department of Treasury sanctions on 17 April. “Nicaragua's Bancorp asks to cease operations after U.S. sanctions”, *Reuters*, 24 April 2019.

¹⁶ Article 20 of the Inter-American Democratic Charter foresees that “in the event of an unconstitutional alteration of the constitutional regime that seriously impairs the democratic order in a member state, any member state or the Secretary General may request the immediate convocation of the Permanent Council to undertake a collective assessment of the situation and to take such decisions as it deems appropriate”. Such decisions may include mandating the institution to use its good offices to resolve the crisis, but if that proves unsuccessful or the situation is urgent, the Permanent Council can convene the General Assembly, which is the only body that can vote to expel the country. “Inter-American Democratic Charter”, Organization of the American States, 11 September 2001.

officials maintained their hard line, vowing that his government would fall.¹⁷ Then, as talks stalled, the U.S. convened the OAS Permanent Council on 5 April to assess the country's political predicament – a step toward full application of the Democratic Charter, which could culminate at the OAS General Assembly due to gather in Medellín on 26 June – and imposed further sanctions. The Permanent Council gathered again on 21 May, passing a resolution calling on the government to release political prisoners, undertake electoral reforms and allow the Inter-American Commission on Human Rights to return to the country. It also committed to debate Nicaragua's predicament at the General Assembly.¹⁸

Ortega first reacted sorely to the latest round of U.S. sanctions, branding as “human miseries” those who celebrate their imposition in a public speech on 30 April, and conditioning progress in negotiations on the opposition joining a call to lift them. But his government responded more mildly to the OAS resolution in May, publishing a document reiterating its commitment to abide by the signed agreements and address pending issues.¹⁹ Ortega's contrasting reactions suggest he is keen to avoid expulsion from the OAS or further U.S. measures, particularly those under the so-called Nica Act, even as he vents outrage against what he portrays as foreign intimidation.²⁰

¹⁷ U.S. Security Adviser John Bolton tweeted on 21 February: “As President Trump said Monday, Ortega's days are numbered and the Nicaraguan people will soon be free”. He also falsely claimed in a tweet that the communique released by the G7 on 9 April called for restoration of democracy in Nicaragua, whereas it only made reference to Venezuela. See tweets here: <https://bit.ly/2Vabgyg>; <https://bit.ly/2URYLbB>.

¹⁸ “OAS Permanent Council Adopted Resolution on the Situation in Nicaragua”, Organization of American States, 21 May 2019.

¹⁹ “Gobierno de Nicaragua da a conocer el Programa y Complemento de Trabajo para consolidar Estabilidad y Paz”, *El 19 Digital*, 23 May 2019.

²⁰ The Nicaragua Human Rights and Anticorruption Act of 2018 – or Nica Act – signed into law by President Trump in December 2018, targets Nicaraguan officials associated with human rights violations and constrains the Nicaraguan government's ability to obtain multilateral development loans. It also instructs Secretary of State Mike Pompeo to report to Congress before June on the human rights situation in Nicaragua and possibly suggest new sanctions. “Nicaragua: Ortega tries to stop sanctions”, *Havana Times*, 3 May 2019.

III. Dialogue Amid Distrust

Renewed efforts at dialogue appear to be popular with many Nicaraguans exhausted by last year's turmoil; recent polls suggest close to 90 per cent favour a negotiated solution.²¹ But thus far talks have been hampered by enormous mutual distrust and suspicion, as well as estrangement between negotiators and activists in both camps, scepticism as to mediators' neutrality and opposition disunity.

The two sides' narratives about the crisis diverge starkly. The government describes last year's events as an attempted coup by U.S.-funded terrorist groups.²² According to members of the Truth, Justice, and Peace Commission, the uprising was an attempt to eradicate Sandinismo, the movement that first rose to power in 1979 by toppling the dictator Somoza. They argue that the media fabricated stories of state repression whereas Sandinistas were targeted by violent, armed protesters, and claim the first person to die was a police officer. They cite this as the reason why the government is allegedly struggling to convince its base to back dialogue.²³ For its part, the opposition denounces the government's authoritarian instincts and human rights violations, chiefly stemming from the excessive use of force by police and para-police units – allegations largely supported by international human rights organisations.²⁴

Many opposition activists and leaders were circumspect about the way in which talks resumed and the composition of the negotiating teams. They feared a second round of dialogue could end up as little more than a government ploy to gain time, avoid outside pressure, exploit opposition weaknesses and exacerbate its internal divisions. Many Civic Alliance leaders remained in either detention or exile, particularly from its student, feminist and rural branches, which spearheaded the uprising.²⁵

²¹ "El 87 por ciento de los nicaragüenses está a favor del diálogo", *El Nuevo Diario*, 21 March 2019.

²² The government repeatedly has stated it survived an attempted coup d'état, in which terrorism was disguised as peaceful protest. "Nicaraguan Foreign Minister addresses UN General Assembly for Ortega", *Havana Times*, 1 October 2018. "Presidente Daniel Ortega llama a tomar el camino de la paz", *El 19 Digital*, 13 July 2018. For more on the crisis, see Crisis Group Latin America Report N°72, *A Road to Dialogue After Nicaragua's Crushed Uprising*, 19 December 2018.

²³ These officials claim that Sandinistas or even public employees sometimes had to disguise themselves as protesters in order not to be caught in the *tranques*, where they would be attacked, kidnapped or even tortured. Crisis Group interview, members of the Truth, Justice and Peace Commission, Managua, 2 April 2019. For more on the Commission's version of the facts see its different reports: <https://bit.ly/2Wn8Ytb>.

²⁴ International human rights organisations' reports, such as those of the Inter-American Commission for Human Rights, the UN High Commissioner for Human Rights and Amnesty International, all refer to an excessively violent crackdown by security forces on mostly peaceful protests. Crisis Group interviews, members of the Civic Alliance and the Blue and White National Unity, Managua, January and April 2019. "Nicaragua: report by independent experts affirms that government of President Ortega has committed crimes against humanity", Amnesty International, 21 December 2018.

²⁵ According to the Committee for Liberation of Political Prisoners, an organisation mainly composed of mothers of detained protesters, at least 731 people were detained for participating in the uprising. The UN refugee agency (UNHCR) recently reported that about 62,000 Nicaraguans have been forced from their homes, of whom 55,500 have sought shelter in Costa Rica. Reliable estimates of those forced into exile are difficult to obtain, as many entered neighbouring Costa Rica illegally and did not register with national migration authorities. Crisis Group interview, representative of the International Organization for Migration, San José, 5 February 2019. "Nicaragua crisis: One

As a result, and due partly to its previously close ties to Ortega, the private sector has assumed a leading role, opening a channel of communication with the government and securing half the seats in the Civic Alliance's negotiating team.²⁶ Some opposition figures worry that ties between the government and business figures, and their shared interest in halting Nicaragua's economic decline, could yield an elitist settlement that ignores their aspirations, akin to the pact reached between then-opposition leader Ortega and former president Arnoldo Alemán in 2000.²⁷

However, the Alliance negotiating team has so far remained steadfast on core opposition demands, including the release of political prisoners, early elections and the need for international institutions to oversee implementation of the agreements. The business community itself has joined the consensus position. An Alliance representative said: "the private sector has calculated the costs and benefits of each choice, including a possible realignment with the government, and come to the conclusion that a satisfactory political settlement and an orderly transition are the only viable options to solve the situation".²⁸

International actors that played a prominent role in the resumption of dialogue now act as official companions to it. These include papal nuncio Waldemar Stanislaw Sommertag and OAS Special Representative Luis Ángel Rosadilla, who have helped overcome both sides' intransigence wherever possible and interceded at moments of high tension. The nuncio, for example, took part in the first dialogue efforts last year and, at the height of hostilities, intervened alongside Nicaraguan bishops to secure the release of detainees and prevent a potential massacre when student protesters were cornered in a Managua church.²⁹ Rosadilla, a former Uruguayan guerrilla, was a member of the OAS delegation that approached the government in February and also worked alongside the government on an electoral reform plan in 2017.³⁰ His

year in, more than 60,000 have fled, seeking refuge", UN News, 16 April 2019. "Refugiados políticos nicaragüenses en Costa Rica: problemas y propuestas de solución", Panóptico, 2019.

²⁶ Ortega maintained a "dialogue and consensus" relationship with the private sector in recent years, interrupted by last year's turmoil. His announcement of a return to dialogue was preceded by a meeting between him and some prominent businessmen – albeit not members of the Civic Alliance – on 16 February, with the participation of the papal nuncio Waldemar Sommertag and Cardinal Brenes. This came shortly after a visit by a delegation from the Organization of American States (OAS), with the purpose of holding exploratory talks. Crisis Group interview, academic, Managua, 5 April 2019.

²⁷ The "Ortega-Alemán" pact parcelled out representation in the Supreme Court, electoral authorities, and Attorney General's office between the FSLN and Alemán's party, the Constitutionalist Liberal Party. It also included a custom-made electoral reform that benefitted the FSLN by allowing a candidate to win the presidential elections if it came out ahead with 35 per cent or more of the vote in the first round and a 5 per cent lead over the second-placed candidate. This figure matched the party's historic voting base. "Política nacional sellada por el pacto", *La Prensa*, 30 December 2001.

²⁸ Crisis Group interviews, member of the Civic Alliance, Managua, 5 April 2019, and another member of the Civic Alliance, Managua, 31 January 2019.

²⁹ "Nicaragua students freed from church after violent night; one killed", *Reuters*, 14 July 2018.

³⁰ Conversations between the OAS Secretary General Luis Almagro and the government began in October 2016, when Almagro sent a report to the latter expressing concern over irregularities in the elections Ortega won in November. The parties eventually signed a Memorandum of Understanding on 28 February 2017, which set out two areas of cooperation: a political-electoral one, foreseeing the deployment of an OAS electoral mission to observe local elections in November 2017, and technical support to improve the electoral register; and an institutional one, including strengthening

presence points both to the importance of electoral reform in any eventual agreement and to the government's desire to prevent any further deterioration in relations with the OAS.

That said, harder line opposition figures regard the role of both men warily. They accuse the nuncio of straying too close to the government and question his impartiality. According to several media outlets, during a 11 March visit to La Esperanza prison, the nuncio reprimanded political prisoners who were on a hunger strike to protest against talks being held before their release.³¹ On 10 April, after some bishops expressed their disagreement with the new negotiations, the Pope relocated Monsignor Silvio Báez, a longstanding government critic, to Rome. The summons seems to highlight the Vatican's readiness to accommodate some of Ortega's demands if this serves to make him readier to negotiate. The nuncio has repeatedly rejected the accusations against him, defended his impartiality and denied involvement in the Pope's decision.³² Opposition leaders have also criticised Rosadilla for not speaking out against the government's failure to comply with the agreements.³³

Internal divisions within the opposition have impeded progress in the talks and limited public support for its results. The Civic Alliance's relations with the broad-based opposition front, the Blue and White National Unity, are marred by mistrust.³⁴ This hinders coordination and has led to a gap between the rhythm and intensity of street protests on the one hand and progress in the talks on the other. The National Unity itself is also internally divided. The presence within its ranks of older political forces' leaders has prompted concerns among the grassroots sectors, such as the so-called Articulation of Social Movements, that it will be used as an electoral vehicle, exploiting the energy of the civic movement to serve personal or party ambitions.³⁵ Organisations representing victims of last year's repression feel particularly under-represented.³⁶ Moreover, Unity members across the country complain they do not know who coordinates actions at the national level, and often receive no answers from Managua.³⁷

There also is a lack of a clear line of communication between the Civic Alliance and the National Unity. Civic Alliance leaders worry about what they consider their counterparts' haphazard decision-making process and argue that harder line views

constitutional norms aimed at tackling defections from political parties. "Nicaragua y Secretaría General OEA suscriben acuerdos", *El 19 Digital*, 28 February 2017.

³¹ "Crónica de una interrogante aNunciada", *Confidencial*, 17 March 2019.

³² Crisis Group interviews, academic and papal nuncio, Managua, 5-6 April 2019.

³³ "Caricatura del día – La reacción de los testigos", *Confidencial*, 7 May 2019.

³⁴ The Blue and White National Unity is the wider opposition platform created in October to complement the Civic Alliance's narrower grouping. It now comprises 72 organisations, representing five main sectors: youth and students; civil society; political parties; regional organisations; and victims' organisations.

³⁵ For some of its members, the National Unity should be a political platform running in future elections. For others, it should maintain its civic vocation, serving as a counterweight to the Civic Alliance and demanding greater concessions from the government, while testing the government's adherence to agreements reached at the negotiating table, particularly those regarding respect for the right of peaceful assembly, through domestic "street pressure". Crisis Group interview, member of the Blue and White National Unity's political council, Managua, 2 April 2019.

³⁶ Crisis Group interview, member of a victims' organisation, Managua, 1 April 2019.

³⁷ Crisis Group interview, member of the Blue and White National Unity, León, 3 April 2019.

(which favour toppling the government through street protests and establishing a transitional administration) are over-represented. This, they say, undermines prospects of a more realistic, negotiated political settlement. For their part, National Unity members complain about the Alliance's purported opacity and fear it has already planned to pick its own candidate for the next presidential vote.³⁸

³⁸ Crisis Group interviews, member of the Blue and White National Unity's political council, Managua, 2 April 2019, and member of the Civic Alliance, Managua, 5 April 2019.

IV. Progress and Pending Issues

Harshly criticised, notably by some opposition members, the second dialogue nonetheless was described by the papal nuncio as “a flower born where for ten months there had been desert”.³⁹ The authorities’ efforts to stifle dissent, which intensified in the second half of 2018, were replaced by the semblance of a political thaw as the two sides met face-to-face in a business school campus in Managua. The government has progressively released or moved almost 500 detainees to house arrest, enabling their return home after months in dire jail conditions.⁴⁰

Civic mobilisation also revived somewhat, as the police’s presence thinned slightly in Managua after months in which the capital’s streets had been filled permanently with anti-riot officers warning citizens against demonstrating. The National Unity resumed regular if minor protests, despite the police ban on demonstrations without prior permission still being in force.⁴¹ These marches provoked police responses that were tough but not as harsh as those of last year; so far this year no protester has been killed in demonstrations and detentions typically have been brief. Overall, the government has not responded as violently as last year to dissent, either to limit international condemnation or because the latest protests have been modest.

These advances derive from the progress made in the negotiations. The two sides agreed on the format of talks and a six-point agenda for negotiations, and signed two agreements on 27 and 29 March respectively. The former committed the government to release people detained in relation to the 2018 uprising; the latter to respecting citizen’s rights, including reforming existing laws where necessary. Since then, the government has made major strides in releasing prisoners, while falling short in meeting commitments made in the second agreement; still, these accords represent a new baseline of obligations that international actors can use to assess Managua’s performance and, if they are fulfilled, a basis for moving onto a third round of talks.⁴²

The first agreement set a 90-day term for the release of all above-mentioned prisoners and an end to legal proceedings against them. The International Committee of the Red Cross is to oversee the process, from establishing a list of prisoners (based on names provided by the government and the opposition) to supervising their release.⁴³ The first lists were presented by the Red Cross on 8 April, but revealed a significant gap between government and opposition estimates: only 232 people appeared on both, far from the over 700 the opposition claimed were languishing in

³⁹ Crisis Group interview, papal nuncio, Managua, 6 April 2019.

⁴⁰ Numerous testimonies tell of police threats and violence, inhumane cell conditions, and the medical and psychological consequences of prisoners’ suffering. Crisis Group interviews, adviser to the Committee for Liberation of Political Prisoners, Managua, 30 January 2019; member of a youth-led political movement, Managua, 5 April 2019. “Reprograman juicio contra Lucía Pineda, Miguel Mora y Edwin Carcache”, *El Nuevo Diario*, 29 April 2019.

⁴¹ In September 2018, the Nicaraguan Police issued a communiqué stating that any demonstration would require its permission, and has repeatedly denied requests since then.

⁴² For more on the roadmap, visit the Civic Alliance’s website at: <https://bit.ly/2P6rl2y>. For more on the agenda “Séptimo comunicado del encuentro por el entendimiento y la paz en Nicaragua”, *La Voz del Sandinismo*, 20 March 2019.

⁴³ “Acuerdo de liberación de personas privadas de libertad”, Alianza Cívica para la Justicia y la Democracia, 30 March 2019.

jail.⁴⁴ To date the government has nearly fulfilled its obligations: almost 500 prisoners have been released so far, although only half were actually removed from jail under the Red Cross' oversight, as foreseen in the agreement, which has created confusion as to the total numbers of those released and the process's integrity. Furthermore, almost 400 of the released prisoners are still under house arrest. In general, the government has used releases to show goodwill at moments when domestic and foreign critics questioned its willingness to honour promises or proceed with talks.⁴⁵

Ortega has nonetheless come close to honouring his word. On 8 June, the government passed an Amnesty Law to annul charges against all those involved in last year's events, whether on the government or opposition side. The Civic Alliance objected, arguing that the law would also provide immunity to prosecution for police and para-police units that committed crimes in 2018.⁴⁶ Even so, the government proceeded to release amid scenes of euphoria many of the remaining detainees on 11 June, including Civic Alliance leaders and prominent journalists.⁴⁷

Drawing on input from the Red Cross and prisoners' organisations, the parties still need to discuss three related issues. First, negotiating teams should hand the Red Cross up-to-date prisoner lists, as police reportedly continue to make arrests. Although those arrested generally are detained for shorter periods, some supposedly remain in prison while authorities have charged others with common crimes (as opposed to terrorism or conspiracy).⁴⁸ This would also help clarify the fate of prisoners not on the government list. Secondly, parties should agree which cases and crimes should be covered by the new Amnesty Law, and which should instead be prosecut-

⁴⁴ The Civic Alliance recently stated that its and the government's lists of detainees differ by 91 people, while the Committee for Liberation of Political Prisoners has requested the government clarify the location or legal status of another 102 prisoners. Crisis Group interview, adviser to the Committee for Liberation of Political Prisoners, Managua, April-May 2019. "Cruz Roja confirma 230 presos listos para ser liberados", *Confidencial*, 9 April 2019. "Liberación para todos los presos políticos", Alianza Cívica para la Justicia y la Democracia, 29 May 2019.

⁴⁵ The government released 100 political prisoners to mark the beginning of the dialogue on 27 February; 50 on 15 March, while the UN Human Rights Council was discussing a resolution on the country; another 50 on 5 April, a few hours before the OAS Permanent Council session on Nicaragua; 36 on 17 April, just before the anniversary of the protests, hidden in a group of another 600 common criminals; another 100 on 20 May, this time under the oversight of the International Committee of the Red Cross, after the Civic Alliance announced its withdrawal from negotiations and the day before the OAS discussed Nicaragua again; 50 on 30 May, Nicaragua's Mother's Day, which in 2018 marked one of the violent peaks in the crisis; and 50 and 56 on 10 and 11 June respectively, coinciding with U.S. Congress hearings on the situation in the country. "Crisis sociopolítica de Nicaragua será abordada nuevamente ante el Congreso de los Estados Unidos", *La Prensa*, 4 June 2019.

⁴⁶ "Liberación definitiva e incondicional de todos los presos políticos", Alianza Cívica para la Justicia y la Democracia, 8 June 2019.

⁴⁷ "Liberan a periodistas y líderes sociales de la oposición en Nicaragua", *El País*, 11 June 2019.

⁴⁸ On 22 May, members of the Civic Alliance claimed that at least 42 more people have been detained in 2019 in relation to last year's uprising, and should be considered political prisoners. Crisis Group interview, members of the Committee for the Liberation of Political Prisoners, Managua, 1 April 2019. "Régimen orteguista manipula cifras de presos políticos para no liberarlos a todos", *La Prensa*, 22 May 2019.

ed.⁴⁹ Thirdly, the parties should consider creating a mechanism to provide medical and psychological support to those set free to overcome prison-related trauma and facilitate their reintegration into civilian life. Some may need security assurances, particularly if they live outside Managua, where they are more easily targeted by government loyalists.⁵⁰ The Inter-American Court of Human Rights has issued at least 160 injunctions on behalf of jailed or freed protesters.⁵¹

The second agreement aims to ensure respect for citizen's rights. The eighteen-point accord addresses issues such as legal due process, political and economic rights, security, university autonomy, freedom of expression and the right of return for exiled Nicaraguans. It also calls upon security forces to disarm illegal armed groups and abide by international norms on the use of force.⁵² This agreement officially came into force upon being signed, but implementation of some of its promises is based on a series of action plans yet to be agreed between the parties, and could include changes to the law. Here too, the government's performance appears deficient. It has abided by parts of the agreement, but unilaterally launched initiatives that should have been negotiated beforehand.⁵³ For example, acting on its own, it approved a "Return Plan" for exiled Nicaraguans and sent an invitation to the International Organization for Migration to help implement it, even though the Civic Alliance had objected to the proposal.⁵⁴

The most pressing issue for the opposition concerns the right of peaceful assembly. This poses a dilemma for Ortega: approving all applications for legally permissible protests could entail many more people taking to the streets, particularly now that leaders of last year's revolt have been released, but to overly circumscribe this right would be at odds with the agreement, likely fuel public anger and provoke international criticism. For now, the government appears to be adopting a tough line against protests while avoiding last year's extreme brutality. In fact, less than 24 hours after the agreement was reached in March, police encircled a protest staged at Managua's Metrocentro mall before charging into the crowd and detaining eleven people. The police argued it was safeguarding public order, and used this argument to deny the Blue and White National Unity permission to stage marches in April and May. Police

⁴⁹ The Amnesty Law only refers to "political" and "common crimes" related to last year's events. A judicial ruling or a further law could provide more specifics. Crisis Group telephone interview, transitional justice expert, 10 June 2019. Law 996 published in *La Gaceta – Diario Oficial* n. 108, Nicaraguan Government, 10 June 2019.

⁵⁰ Crisis Group telephone interview, member of the Union of Political Prisoners, 6 May 2019; International Committee of the Red Cross official, Managua, 2 April 2019; member of the Blue and White National Unity, León, 3 April 2019.

⁵¹ "La CIDH emitió 143 medidas cautelares en Nicaragua el año pasado", *El Nuevo Diario*, 5 January 2019. "Corte Interamericana de Derechos Humanos adopta medidas provisionales para 17 presos políticos en Nicaragua", *La Prensa*, 21 May 2019.

⁵² "Acuerdo para fortalecer los derechos y garantías ciudadanas", Alianza Cívica para la Justicia y la Democracia, 30 March 2019.

⁵³ It has respected some of its provisions, such as releasing new detainees within a 48-hour period after their arrest (point 1) or locating and seizing illegally-owned weapons (point 4).

⁵⁴ "Exiliados no tienen garantías de seguridad para volver dice Alianza Cívica", *Diario Metro*, 15 April 2019.

officers then disbanded demonstrations that nonetheless took place to commemorate the one-year anniversary of the crisis and others staged during Easter week.⁵⁵

The parties also disagree on who will monitor compliance with this second agreement. Opposition leaders have requested that the Inter-American Commission on Human Rights and the UN High Commissioner for Human Rights – both expelled by the government from Nicaragua last year – fulfil that role, but remain open to the engagement of other foreign bodies, such as the OAS General Secretariat.⁵⁶ Foreign Minister Moncada justified the expulsion of two Inter-American Commission on Human Rights delegations in December 2018 by arguing that both the OAS and the UN were trying to “asphyxiate the Nicaraguan people” by “divulging false information aimed at promoting sanctions”.⁵⁷

The government has proposed an alternative for monitoring. It is considering inviting the Central American Integration System (SICA), whose president, Vinicio Cerezo, is allegedly close to Ortega, as a guarantor, together with the papal nuncio and the OAS.⁵⁸ The SICA could play a supporting role, but has little power over its member states and limited experience addressing regional crises. For his part, the nuncio lacks capacity to monitor compliance with such a multifaceted agreement. The OAS is focusing on electoral issues and, with the nuncio, already acts as guarantor of the agreement on political prisoners. However, it could deploy a delegation to Nicaragua and draw on the expertise of Inter-American Commission on Human Rights, partly compensating for the latter’s absence from the country following its expulsion last year. Ideally, the government would allow both that Commission and the UN High Commissioner to return, despite the accusations it previously made against them. At a minimum, it should engage with the UN and cooperate with it ahead of the High Commissioner’s report due in September.⁵⁹

Meanwhile, the companions to the negotiations have struggled to bring the parties together. After talks stalled in April, the nuncio and Rosadilla maintained an open communication channel with both sides and handed them a proposal on 29 April to implement the first two agreements. According to the Civic Alliance, after reaching a deal the government backtracked and conditioned its acceptance of the proposal on

⁵⁵ According to the Civic Alliance, at least 160 people were temporarily detained as a result. The Alliance denounced this and other breaches of the agreement to the dialogue companions on 23 April. The National Police denied the arrests. “Presentamos carta a testigos, acompañantes y garantes internacionales”, Alianza Cívica por la Justicia y la Democracia, 23 April 2019. For the National Police version, see “Nota de prensa no.11-2019”, 30 March 2019; “Resolución no. 02-2019”, 5 April 2019; “Nota de prensa no. 016-2019”, 22 April 2019. <https://bit.ly/2WrtKLH>.

⁵⁶ Crisis Group interview, member of the Civic Alliance, Managua, 5 April 2019.

⁵⁷ As he expelled the UN Commissioner for Human Rights mission on 30 August, Ortega described the UN as “an instrument of the policies of terror, lies and infamy”. “Nicaragua da por concluida la misión de entes de la CIDH y carga contra Almagro”, *EFE*, 19 December 2018. “Nicaragua expels UN human rights mission”, *France 24*, 31 August 2018.

⁵⁸ Find the government proposal in point e) of the “Nota de prensa de la Delegación del Gobierno de Nicaragua ante la Mesa de Negociación”, *VivaNicaragua*, 6 May 2019.

⁵⁹ The report, preceded by an oral update in July, is requested by the UN Human Rights Council resolution A/HRC/40/L.8. Crisis Group telephone interview, UN official, 9 April 2019.

a joint call to lift sanctions, which the Alliance has ruled out prior to reaching a final political settlement.⁶⁰

Talks between government and opposition are now officially off, but there is a strong chance they can soon resume. Since the official suspension of negotiations on 3 April, both parties have occasionally met to discuss ways to implement the agreement while also broaching major pending issues. The death of Eddy Montes, a political prisoner holding U.S. citizenship, during a riot in La Modelo prison on 16 May, represented a watershed. Clashes in the same jail between detainees and prison officers wounded more than 90 prisoners, according to the Permanent Commission on Human Rights, and 21 officers, according to the Ministry of the Interior.⁶¹ After reconsidering its position, the Civic Alliance announced on 20 May that it would not return to the negotiating table until all political prisoners are released.⁶² The Alliance should welcome the recent mass release of prisoners, and work alongside the government to clarify the status of the last remaining detainees before joining a fresh round of talks.

⁶⁰ The proposals included continued release of political prisoners in May, under the supervision of the International Committee of the Red Cross; annulment of all judicial charges against them; and the appointment of international guarantors for the agreement on citizen rights. "Dictadura orteguista se burla de los testigos de la mesa de negociación al rechazar propuestas de implementación de los acuerdos", *La Prensa*, 29 April 2019.

⁶¹ Since police and opposition versions of the facts differ, the EU and the U.S. have called on Nicaraguan authorities to carry out a thorough, independent investigation. "U.S. citizen shot dead in Nicaraguan prison was a Navy veteran, critic of President Ortega", *Reuters*, 17 May 2019. "CPDH denuncia que hay más de 90 manifestantes lesionados en La Modelo", *El Nuevo Diario*, 20 May 2019. "Ministerio de Gobernación informa sobre investigaciones abiertas en relación a los sucesos del jueves 16 de mayo", *El 19 Digital*, 21 May 2019.

⁶² "Nos retiramos de la mesa hasta la liberación de presos políticos y llamamos a paro nacional", Alianza Cívica por la Justicia y la Democracia, 20 May 2019.

V. Steps Forward

Implementing the existing agreements is crucial to the resumption of talks. The Civic Alliance has made the release of all political prisoners its condition for returning to the negotiation table, while the OAS, the U.S., and the EU have also vowed to step up pressure if there are no concrete steps in that direction. If the government's main concern is to avoid further sanctions, its best interests lie in complying with the accords by the 18 June deadline. Recent moves to release prisoners represent unequivocal steps in that direction, and should be welcomed by foreign powers and foster international goodwill toward Ortega. Improved coordination across the opposition and sustained pressure from abroad could help persuade the government to continue honouring its pledges, and pave the way to a third round of talks focusing on electoral and justice issues.

A. Ensuring Compliance

A combination of internal and international pressure could assist in ensuring the government's continued compliance. Thus far, Ortega's willingness to compromise has been proportional to the pressure exerted by internal and external forces. To ensure this remains the case before and after the June deadline, opposition factions should seek to align their strategies. The Civic Alliance and the Blue and White National Unity's political council should establish regular communication, debate proposals and agree on an approach to continue pressing the government and maintaining an international spotlight on the crisis. The National Unity in particular has a responsibility to keep street protests peaceful. Joint efforts with the Civic Alliance on the occasion of the 23 May national strike marked a step forward, but the group should consider going beyond calls for demonstrations by increasing internal coordination and taking advantage of its wider national reach to generate support for the Alliance's negotiating efforts.

For their part, foreign governments and regional bodies, above all the OAS, EU and U.S., should align policies toward Nicaragua and jointly warn the government that they will take further action, including imposing additional sanctions, if Ortega reneges on his pledges. The U.S. ought to avoid unilateral steps; more generally it should cease suggesting its goal is to bring down Ortega's government. Sanctions, if they are necessary, should focus on squeezing individual or state-run business assets rather than the entire country. Terminating Nicaragua's membership in trade agreements, such as the Central American Free Trade Agreement and the Association Agreement with the EU, would be unwise as it would primarily hurt the poor.⁶³ For its part, the OAS should only expel Nicaragua as last resort, as doing so could have unintended consequences, including cancellation of the electoral reform plan it agreed

⁶³ U.S. officials have leaked that the Trump administration is considering expelling Nicaragua from the CAFTA. As for the EU, while its Foreign Affairs Council did not refer to specific measures, the European Parliament exhorted it to consider Nicaragua's suspension from the Association Agreement. "After NAFTA fight, Trump threatens another trade battle with Central America", *McClatchy*, 9 January 2019. European Parliament resolution on the situation in Nicaragua, 14 March 2019. "Nicaragua: Council adopts conclusions", Council of the EU, 21 January 2019.

with the government.⁶⁴ Lastly, international actors should signal that easing existing sanctions and diplomatic pressure will not follow from merely signing new agreements, but also putting them into practice.

Outside powers should also make clear that they will lift punitive measures if the government honours its agreements. Should the government conclude the release of political prisoners, lift the charges against them and show its willingness to abide by the agreement on citizens' rights before 18 June, they should stand ready to support the third round of talks, and to offer political and financial backing to enable both sides to reach a lasting settlement. That outcome would afford Nicaragua an opportunity to chart a way out its current deadlock and avoid another bout of violence. International actors should also make clear they expect tangible results from the next round of negotiations in a reasonable timeframe, though without setting tight deadlines.

B. *A Third Round of Talks*

Two topics remain pending for future talks: electoral reform and justice for the victims of last year's violence.⁶⁵ Narrowing the gap between the government and opposition on the former seems realistic, especially since Ortega's government recently recommitted to reforms agreed with the OAS in February 2017.⁶⁶ The Alliance proposes to update that agreement, by adding new reforms, including by changing the Supreme Electoral Council, reintroducing presidential term limits, increasing the votes required for outright victory in the first round of presidential polls (now at 35 per cent), and bringing forward presidential and parliamentary elections scheduled for November 2021.

The government prefers to stick to the terms of the OAS agreement but could meet the opposition half way. Changing the composition of the Supreme Electoral Council would likely increase the opposition's confidence in elections, given its alleged past involvement in fraud.⁶⁷ In turn, the opposition could drop the reintroduction of presidential term limits and its demand that the vote threshold for the first round of presidential elections be changed. For a more inclusive agreement on

⁶⁴ The last time the Inter-American Democratic Charter was fully applied was in 2009, when Honduras was expelled in the aftermath of the coup d'état that ousted President Zelaya. The aim of the measure was to revert the coup, but it proved unsuccessful, and it took two years before the country re-joined the organisation. "Para que los hechos no se repitan", Comisión de la Verdad y Reconciliación, July 2011, p. 29.

⁶⁵ Other items that, according to the agreed agenda, remain to be discussed after these two are settled are consolidating all agreements and related implementation mechanisms into one document, and actions the parties will take to gather international support for the agreements and lift sanctions. "Séptimo comunicado del encuentro por el entendimiento y la paz en Nicaragua", *La Voz del Sandinismo*, 20 March 2019.

⁶⁶ After the government invited the OAS to resume activities in the country on 26 March, Cristobal Fernández, the organisation's head of the department of cooperation and electoral observation, visited the country on 24 April to discuss electoral reforms. "Nicaragua reitera ante la OEA su compromiso para lograr el entendimiento", *La Voz del Sandinismo*, 26 April 2019.

⁶⁷ The U.S. imposed sanctions on then-president of the Supreme Electoral Council Roberto Rivas in December 2017, for being "above the law" and perpetrating electoral fraud. Rivas resigned on 31 May 2018. "United States Sanctions Human Rights Abusers and Corrupt Actors Across the Globe", U.S. Department of the Treasury, 21 December 2017.

electoral reform, political parties, such as the Constitutional Liberal Party, should be consulted.⁶⁸

The pivotal issue is that of election timing. The government has publicly ruled out the possibility of advancing elections and the presidential couple has made clear it intends to remain in power until the end of its term. Yet a compromise seems possible.⁶⁹ Indeed, opposition negotiators recognise that the necessary electoral reforms would need a transitional period of at least twelve months. Faced with similar economic and social pressures, and after losing the support of the collapsing Soviet Union, Ortega himself brought forward elections in 1990. To soothe internal and international pressure, and possibly restore some degree of economic stability, one solution might be to hold polls in 2021, but earlier than November.⁷⁰ The OAS could take advantage of its role as both dialogue companion and external player to enable a broader discussion on reforms and a timetable for polls.

An agreement on justice reforms will be harder to reach. Although both sides claim to seek redress for victims, the government and opposition are entrenched in seemingly irreconcilable positions. The Civic Alliance insists upon the establishment of a new, independent Truth Commission as a first step toward achieving justice. Before passing the Amnesty Law in June, the government had proposed a form of restorative justice that would hand responsibility for investigations and accountability to the very national institutions allegedly involved in the original crackdown, such as ministries, the police and the public prosecutor's office.⁷¹ On 29 May, it also passed a law on "integrated attention to victims" of last year's unrest, envisaging benefits for families affected by "coup plotters' violence".⁷²

Given the alleged loyalty of all judicial and security institutions to the government, the Civic Alliance regards all these proposals as tantamount to impunity for those responsible for violence against protesters, and has rejected them.⁷³ In light of

⁶⁸ Crisis Group interview, Civic Alliance member, Managua, 5 April 2019.

⁶⁹ Some buses in Managua have displayed the "Ortega-Murillo 2021" slogan on their windshields, while government officials have conveyed to the OAS their intention of "strengthening the electoral political process by 2021". "Statement by the OAS General Secretariat on Nicaragua", Organisation of the American States, 15 February 2019. "Nicaragua government rejects early elections after OAS meeting", *Euronews*, 25 April 2019.

⁷⁰ Recent surveys suggest about 62 per cent of those polled would like elections brought forward, eight points more than the same survey conducted in January, but another 32 per cent would like them to take place in 2021, suggesting that early that year would be a well-supported compromise. Crisis Group interview, papal nuncio, 6 April 2019. "Cid Gallup: 62% pide adelanto de elecciones para salir de crisis", *Confidencial*, 30 May 2019.

⁷¹ Under "restorative justice", those who committed crimes have to confess their actions and receive an amnesty in return for taking other measures to acknowledge their guilt. "Nicaragua aprueba una Ley para atender a las víctimas de la crisis, sin justicia", *EFE*, 29 May 2019.

⁷² The law determines that the Human Rights Ombudsman, in partnership with government ministries, would be in charge of implementation, "Ortega imposes his own amnesty law", *Confidencial*, 31 May 2019. "Delegación de Gobierno ante la mesa de negociación ratifica compromisos asumidos ante la Patria", *El 19 Digital*, 31 May 2019.

⁷³ Lack of trust in national institutions is so deep among victims' constituencies of the opposition that some feel "there cannot be any justice under the current government", in the words of a political prisoner's mother. Crisis Group interview, Committee for Liberation of Political Prisoners, Managua, 1 April 2019.

charges by the International Group of Independent Experts from the Inter-American Commission on Human Rights that the state committed crimes against humanity, anything that smacks of an amnesty for government officials would be extremely hard for the opposition to swallow.⁷⁴

Despite 50 years of counter-insurgency, revolution and civil war, Nicaragua has never undertaken a genuine transitional justice effort. Before discussing detailed proposals, the parties ought to consider regional experiences, draw on expert testimony and consider victims' perspectives and needs. On that basis, and in the likely absence of a consensus, they should try at a minimum to agree on governing principles for a truth commission with a broad mandate. As such, it would not merely aim to clarify the events of 2018. It should also explore the historic causes of Nicaragua's exceptionally turbulent recent past as a means to understand the country's deep-rooted polarisation and prevent the recurrence of armed violence. Such a commission could include government and opposition-appointed representatives, as well as international experts.⁷⁵

⁷⁴ "Nicaragua: Report by independent experts affirms that government of President Ortega has committed crimes against humanity", *op cit*.

⁷⁵ Crisis Group phone interview, expert in transitional justice, 11 April 2019.

VI. Conclusion

Government officials and opposition leaders have brokered two important deals that could move them closer to resolving their year-long deadlock. Following months of state efforts to silence dissent, President Ortega's decision to resume talks, likely motivated by mounting international pressure and a steep economic downturn, surprised many Nicaraguans, both opposition and government supporters as well as international observers. Negotiations occurred amid deep mutual distrust, yet the prospect of a negotiated solution enjoys high levels of public support. Results of the second dialogue also exceeded those of the first, particularly with the agreed release of hundreds of political prisoners. However, shortcomings in the accords still remain, above all the absence of international oversight for one of them, some uncertainty as to whether the government has fully complied and doubts over what comes next.

Should the last remaining disputes over the accords' implementation be resolved, the two parties would ideally return soon to the negotiating table and strike an accord on outstanding issues. The principal challenge thus far has been on the government side, with President Ortega seemingly more interested in buying time and staving off further sanctions than genuinely extricating his country – and his government – from its predicament. However, the release of most political prisoners before the 18 June deadline suggests he is committed to a negotiated path out of the crisis. For their part, opposition movements should fine-tune their demands before the next round of talks to ensure they are realistic, draw on input from across the opposition coalition and seek as far as possible to drum up public support for the dialogue. Foreign powers and multilateral organisations should continue exerting pressure on the government. They should be prepared to impose further sanctions if the government fails to meet its commitments and progress in the talks lapses, so long as any measures taken are targeted, enjoy broad international backing and are lifted once the government honours its pledges.

President Ortega may be ruthless, but he remains one of Latin America's greatest political survivors and a pragmatist fully aware that the campaign to unseat President Maduro in Venezuela bodes ill for his own rule. His anti-imperialist rhetoric serves to close Sandinista ranks, but he has demonstrated the ability and readiness to make concessions. He may not be interested in sweeping institutional changes, but he is aware that his resilience and Nicaragua's economy depend upon maintaining domestic support and international trust. Stability stands at the heart of his interests, and the best route to preserve it can be found in moving to a third round of negotiations and forging a lasting political settlement with those who seek to remove him.

Bogotá/Brussels, 13 June 2019

Appendix A: Map of Nicaragua



Appendix B: A Timeline of Nicaragua's Year-long Political Crisis

18 April 2018

After the government passes a highly unpopular social security reform on 16 April, mass protests erupt across the country.

22 April 2018

The government invites the Catholic Church to mediate a dialogue with the private sector. On 11 May, the Church creates the Civic Alliance for Justice and Democracy.

16 May 2018

The National Dialogue begins between the government and the Civic Alliance.

30 May 2018

At least eight are killed and dozens more injured during a Mothers' Day march led by mothers of victims killed during the protests.

9 July 2018

After government sympathisers attack prominent Church figures, the National Dialogue is officially suspended.

23 September 2018

Max Andrés Romero, 16, is killed in a protest in Managua. The government says he is the last of 199 dead. Human rights groups claim the toll could be much higher.

28 September 2018

The National Police forbids any demonstration without its permission, and has rejected formal requests ever since.

16 February 2019

Prominent business leaders hold exploratory talks with Ortega in the presence of Nicaragua's Papal Nuncio Waldemar Stanislaw Sommertag and Cardinal Leopoldo Brenes.

18 February 2019

Campesino leader and Civic Alliance member Medardo Mairena is sentenced to 216 years in jail. He is one of over 700 people detained since last year's uprising, according to the Civic Alliance.

27 February 2019

Talks resume at the INCAE Business School campus, leading to the government's release of the first 100 prisoners.

27 March 2019

Under the supervision of the International Committee of the Red Cross, parties sign an agreement for the release of all political prisoners within 90 days.

29 March 2019

Parties sign an agreement on respecting citizens' rights, including the right to return for the 62,000 Nicaraguans (according to UNHCR estimates) forced to flee the country.

3 April 2019

The deadline the parties set for talks on new agreements passes. The National Dialogue is suspended but parties meet occasionally to discuss implementation of previous agreements.

20 May 2019

A few days after Eddy Montes, a political prisoner, dies during a prison riot, the Civic Alliance announces it will not return to negotiations until all political prisoners are released.

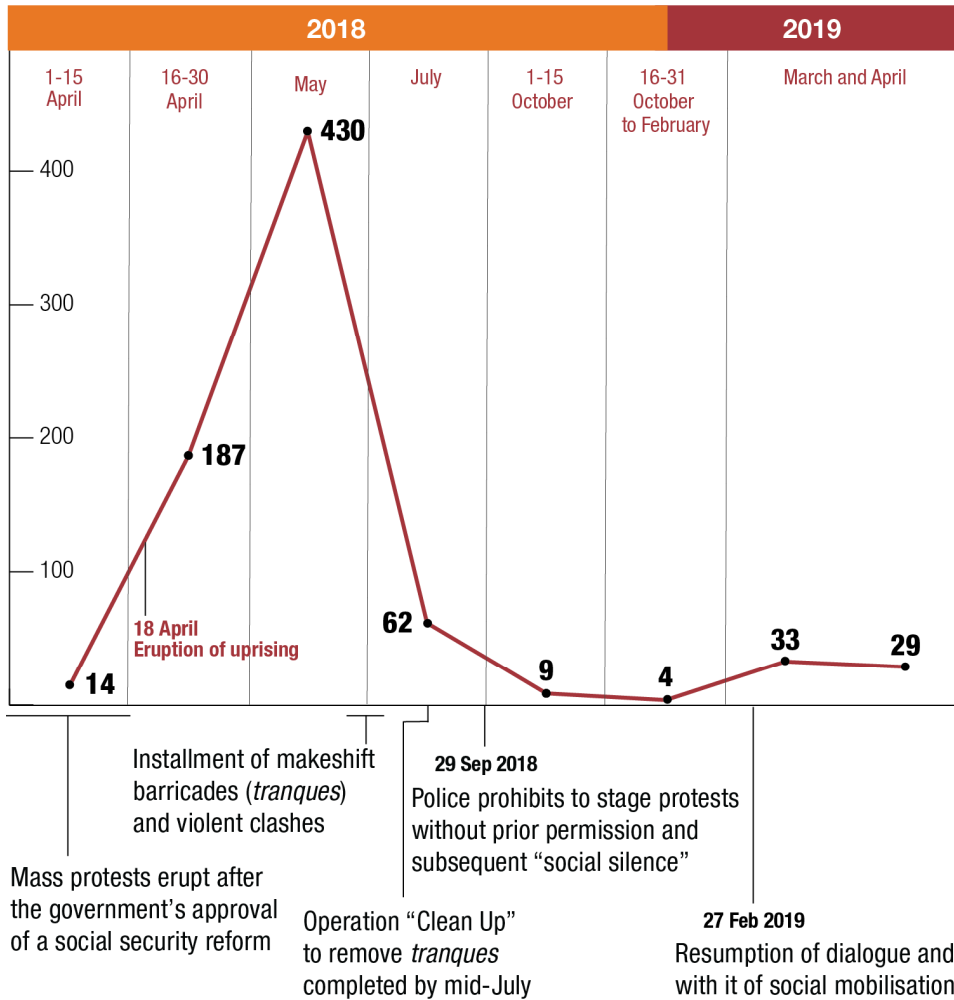
8 June 2019

Ten days before the deadline for the release of all political prisoners expires, the government passes an amnesty law for those accused of crimes in relation to last year's events.

11 June 2019

The government releases another group of political prisoners, including protest leaders and prominent journalists, bringing the total of those released to 500.

Appendix C: Frequency and Phases of Mass Public Protests in Nicaragua, 2018-2019



Source: Social Seismology, Observatory of Protests in Nicaragua

Appendix D: About the International Crisis Group

The International Crisis Group (Crisis Group) is an independent, non-profit, non-governmental organisation, with some 120 staff members on five continents, working through field-based analysis and high-level advocacy to prevent and resolve deadly conflict.

Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries or regions at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international, regional and national decision-takers. Crisis Group also publishes *CrisisWatch*, a monthly early-warning bulletin, providing a succinct regular update on the state of play in up to 70 situations of conflict or potential conflict around the world.

Crisis Group's reports are distributed widely by email and made available simultaneously on its website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The Crisis Group Board of Trustees – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring the reports and recommendations to the attention of senior policymakers around the world. Crisis Group is chaired by former UN Deputy Secretary-General and Administrator of the United Nations Development Programme (UNDP), Lord (Mark) Malloch-Brown.

Crisis Group's President & CEO, Robert Malley, took up the post on 1 January 2018. Malley was formerly Crisis Group's Middle East and North Africa Program Director and most recently was a Special Assistant to former U.S. President Barack Obama as well as Senior Adviser to the President for the Counter-ISIL Campaign, and White House Coordinator for the Middle East, North Africa and the Gulf region. Previously, he served as President Bill Clinton's Special Assistant for Israeli-Palestinian Affairs.

Crisis Group's international headquarters is in Brussels, and the organisation has offices in seven other locations: Bogotá, Dakar, Istanbul, Nairobi, London, New York, and Washington, DC. It has presences in the following locations: Abuja, Algiers, Bangkok, Beirut, Caracas, Gaza City, Guatemala City, Hong Kong, Jerusalem, Johannesburg, Juba, Mexico City, New Delhi, Rabat, Tbilisi, Toronto, Tripoli, Tunis, and Yangon.

Crisis Group receives financial support from a wide range of governments, foundations, and private sources. Currently Crisis Group holds relationships with the following governmental departments and agencies: Australian Department of Foreign Affairs and Trade, Austrian Development Agency, Danish Ministry of Foreign Affairs, Dutch Ministry of Foreign Affairs, European Union Emergency Trust Fund for Africa, European Union Instrument contributing to Stability and Peace, French Development Agency, French Ministry of Europe and Foreign Affairs, German Federal Foreign Office, Global Affairs Canada, Irish Aid, Iceland Ministry for Foreign Affairs, Japan International Cooperation Agency, Principality of Liechtenstein, Luxembourg Ministry of Foreign and European Affairs, New Zealand Ministry of Foreign Affairs and Trade, Norwegian Ministry of Foreign Affairs, Qatar Ministry of Foreign Affairs, Swedish Ministry of Foreign Affairs, the Swiss Federal Department of Foreign Affairs, the UK Department for International Development, and the United Arab Emirates Ministry of Foreign Affairs and International Cooperation.

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June 2019

Appendix E: Reports and Briefings on Latin America since 2016

Special Reports and Briefings

Exploiting Disorder: al-Qaeda and the Islamic State, Special Report N°1, 14 March 2016 (also available in Arabic and French).

Seizing the Moment: From Early Warning to Early Action, Special Report N°2, 22 June 2016.

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