

# **EUROPEAN PARLIAMENT**

## **DELEGATION FOR THE OBSERVATION OF THE ELECTIONS** **IN NICARAGUA** **(5 November 2006)**

**By Mr Emilio MENÉNDEZ del VALLE, for the Committees on  
Foreign Affairs and on Development**

**1 to 7 November 2006**

Brussels, 6 November 2006  
LMG/nal

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## **Introduction:**

Pursuant to item 10 of the agenda for the meeting of 28 September 2006, the Conference of Presidents decided to send an electoral observers' mission to Nicaragua, comprising 7 members appointed according to the continuous d'Hondt system.

On 11 October 2006, the delegation was established, and PSE Member, Mr Emilio MENÉNDEZ del VALLE, was elected chair.

It was agreed that the delegation would arrive in Nicaragua on the 2nd and would divide up into groups for the day of the election.

## **NICARAGUAN DOMESTIC SITUATION:**

The political atmosphere in Nicaragua has seen significant developments in recent years, following the devastating civil war of the 1980s, the fall of the SOMOZA regime, and the government of the Frente Sandinista de Liberación Nacional (FSLN). At present, Nicaragua is a stable democracy moving from two-party politics to multi-party politics, following the blitz in the two main parties, the Sandinistas and the Liberales.

The FSLN government, heavily disputed by the opposition parties, was replaced in February 1990 by the Unión Nacional de Oposición, led by Violeta CHAMORRO. This period saw the reconciliation of the two main opposing parties.

In the third round of elections since the fall of the SOMOZA regime in October 1996, Arnaldo ALEMÁN (Alianza Liberal) won the elections.

The following elections in November 2001 saw two main candidates standing, the Sandinista Daniel ORTEGA and the Partido Liberal Constitucionalista (PLC)'s Enrique BOLAÑOS who won in the first round. These elections were observed by an EP delegation chaired by Mr José Manuel GARCÍA-MARGALLO.

President BOLAÑOS's government remained in the minority, with very little room for manoeuvre in the Assembly, following the organisation of an alliance between the Sandinistas and the PLC (the so-called 'Pacto').

The fight against the poverty which affects over 60% of the population remains one of the government's major priorities. In December 2002, the IMF approved a loan of US \$129 million for the 'Servicio de crecimiento y lucha contra la pobreza' Programme.

The Human Development Index places Nicaragua 112th, with an average index of 0.690. Its total GDP is US \$22,284 millions, which places it at 102 on the world scale. Per capita GDP is US \$888. Economic growth was 4% in 2005 and 5.1% in 2004. The forecast for 2006 is around 4.3%. Inflation is apparently circa 9% partly due to the increased price of oil. External debt has fallen, and the increase in exports is reflected by the 40% rise registered in 2005 against 2004.

Like Honduras, Nicaragua has benefited from the HIPC initiative, and has been able to negotiate a major public debt relief arrangement with the IMF.

In 1999, to alleviate the effects of Hurricane Mitch, the Commission adopted a regional programme for Central American reconstruction, focussed on health, social sector and education programmes, with a budget of EUR 256.6 million, 84 million of which were earmarked for Nicaragua.

The 1987 Constitution enshrines a Republic in which the executive, legislature and judiciary are independent. A fourth independent source of power was established with the institution of the Supreme Electoral Court, whose remit is to guarantee the proper operation of the electoral process.

During the years in which the FSLN and the opposition were at loggerheads, politics was polarised and the government alliances of the two opposing parties politicised the institutions, weakened democracy and paralysed political pluralism.

The President is elected for 5 years and cannot be re-elected.  
The Parliament (National Assembly) has a single chamber of 92 members elected for 5 years.

The Nicaraguan courts are both inefficient and over-loaded. The number of magistrates rose from 9 to 12 in 1995, finally totalling 16 in 2000. The magistrates are appointed by the parties, and elected by the National Assembly for 5 years. The parties and minority coalitions have repeatedly announced the politicisation of the institutions as a result of the so-called 'Pacto' between the Sandinistas and the Liberales.

### **THE 2006 PRESIDENTIAL ELECTIONS**

The 5 November elections were presidential and legislative (National Assembly). The political parties put forward closed lists. 20 members were elected for the national constituency (proportional representation by electoral quotient), 70 in the departmental and autonomous region constituencies, and 2 are the outgoing President and the defeated presidential candidate. The electoral law provides for a second round 45 days after the first. A candidate obtaining 40% of the votes, or 35% when there is more than a 5 point difference between the two leading presidential candidates wins in the first round.

The Supreme Electoral Council is responsible for organising the elections. It comprises 7 magistrates also elected by the Assembly for 5 years. The appointment of these magistrates was queried by those political parties which do not belong to the 'Pacto'. During the campaign, various doubts with regard to their impartiality were raised, as the Dutch EU Presidency noted in its 2004 statement.

The novelty of the election under scrutiny here was basically that for the first time 4 parties or alliances were involved, while the electoral system is designed in terms of a 2-party system.

During the campaign, various candidates appearing in the minority party lists had announced their intention to sit with the PCL and the FSLN after the elections.

With the weakened political clout of the outgoing government, the Nicaraguan electoral campaign had not been free of international intervention on behalf of one or other candidate. On the one hand there was the USA supporting the liberal candidate, as the US Ambassador stated, while on the other, Hugo CHÁVEZ spoke out in favour of the Sandinista candidate, Daniel ORTEGA.

The domestic debate also involved the debate on therapeutic abortion, which is currently not illegal, and the debate, conducted in purely electoral terms, surrounding its criminalisation.

Voting took place in polling stations where up to a maximum of 400 voters are allowed to vote; 11 274 polling stations for an electorate totalling 3 665 141.

The law provides for the presence of three staff in every polling station, two representing the FSLN and the Partido Liberal Constitucionalista, and the third being from one of the other parties. However, it was not clear how they were to be selected, which gave rise to protests.

Another issue, particularly at the end of the campaign was 'cedulación' i.e. the distribution of the sole valid document enabling an individual to vote. A significant number of citizens, estimated at between 10 000 and 75 000, had not received this document. The non-'Pacto' parties accused the PLC and the FSLN of having taken part in distributing these documents, but only giving them to their supporters. According to the Supreme Electoral Court, at least 100 000 'cédulas' were not handed out before election day.

In general there were no important incidents during the campaign, although it was not free of attacks on individuals. There was little political content, partly due to the Sandinista candidate's refusal to take part in debates with the other candidates.

With regard to electoral observation, these elections were the most observed in the country's history: the presence of international observers, particularly from the EU, the Carter Centre and the OAS meant, as various people pointed out to us, that the degree of confrontation remained acceptable. There was talk of there being, between national and international observers, between 6 and 8 observers per polling station.

### **The candidates**

Over and above the traditionally major parties, other increasingly important parties, or break-aways from the main parties, had emerged. The candidates standing were:

- Daniel ORTEGA, for the Frente Sandinista de Liberación Nacional (FSLN)
- José RIZO, for the Partido Liberal Constitucionalista (PLC)
- Edmundo JARQUÍN, for the Movimiento Renovador Sandinista (MRS)
- Eduardo MONTEALEGRE for the Alianza Liberal Nicaragüense (ALN)
- Edén PASTORA GÓMEZ, for the Alternativa para el Cambio (AC)

## Meetings of the candidates

The delegation held meetings with the five main candidates, all of whom expressed their thanks of the presence of European observers as a guarantee of fair elections, which would result in cleaner elections, which was of particular importance to ordinary citizens, who were worried that there might be mass electoral fraud.

The delegation held two meetings with the **FSLN** presidential and vice-presidential candidates. The latter, former Liberal Party member, **Sr. Jaime MORALES CARAZO**, presented his party's programme on the basis of its main focuses: national reconciliation and national economic development based on job creation through agriculture and the setting up of export-orientated assembly plants; the recent signing of an agreement between the FSLN candidate and the business sector would help calm the fears of the country's economic leaders about a Sandinista victory

He also said that following the elections, his party intended to hold meetings with representatives of all the parties in the Assembly, with a view to achieving a 'governability pact'.

The **FSLN presidential candidate, ex-President Daniel ORTEGA SAAVEDRA** denounced the rumours that had been put in circulation about the drop in emigrants remittances should he win. The rumours had had quite an impact, given that around a million Nicaraguans lived in the USA, and their remittances totalled some thousand million dollars, or the equivalent of all Nicaraguan exports. He said that it would probably be necessary to introduce exchange control measures to prevent capital flight after his election.

He asked the delegation to ensure that on the day following the election, the EU would voice its confidence in the results and in the new government. This would help the new President to begin a new term which would enable him, with respect to the previous Sandinista government, to govern in peace and successfully implement his policy of national reconciliation, the first proofs whereof had been the appointment of the vice-presidential candidate. With regard to his previous government, he acknowledge certain errors such as relations with the Church and with the native peoples. His new government would give priority to agricultural development both as regards food production and agro-industry.

Somewhat contradictorily (because legally, in any case, adherence to a specific treaty makes it impossible simultaneously to sign another), he stated that he would uphold the current Agreement with the USA, although relations with other blocs such as Mercosur, the Venezuelan President's 'ALBA' project or the EU (via the Association Agreement currently under negotiation) would be deepened. He also mentioned a desire to reach a FTT with Washington. With regard to negotiations with the EU, he said he disagreed with the Costa Rican opposition to the idea of a common negotiator for the Central American region handling negotiations with the European representative.

During the meeting with the **MRS** candidates, whose party originated in a split within the FSLN, **Mr Eduardo JARQUÍN and Mr Carlos MEJÍA**, the main problems of the election were tackled: the issues of 'cedulación' and the 'third member' of the departmental and municipal

electoral councils. They complained that they held only two of the 17 possible, while the Alternativa por el Cambio apparently held six.

He also expressed his unease about the financial imbalance in the permitted electoral spending, because current legislation provided no other limits.

The PLC presidential candidate, **Mr José RIZO CASTELLÓN**, observed that his party was the only one which had held primary elections to choose its presidential candidate. He also mentioned the need for state reform, which should include institutional reform to adapt the institutions to the new multi-party model. He also voiced his party's commitment to regional integration.

The ALN presidential candidate, **Mr Eduardo MONTEALEGRE**, described the campaign as 'peaceful', with the only recorded violence being verbal. He mentioned the fact that a false communiqué had been published in his name, stating that he was withdrawing, something which his party had denounced to the electoral authorities as an election crime. With regard to the support expressed for him by the US ambassador, he believed that this could be counterproductive as far as Nicaraguan public opinion was concerned. He expressed his concern at the possible consequences of the 'cedulación' issues, particularly in the municipal elections, but indicated that in the presidential elections, the effects would be minimal.

With regard to the electoral programmes, he said that they had focused on bipolarisation between the former two-party system, and the current multiparty system, the programmes reflected this, either preserving the current system or adapting it to Nicaragua's new political picture, tackling its two greatest weaknesses: the lack of institutional transparency and the weakness of the state. From his point of view, the state should correct the impact of the 'market' which particularly benefited the most favoured social classes in favour of the least-protected.

#### **Meetings with members of the government:**

The delegation met **President Enrique BOLAÑOS**, accompanied by the **Foreign Minister, Mr Norman CALDERA**, who recalled the difficulties he had experienced with regard to governing without adequate parliamentary support. This was the reason that he had been unable to carry out some of his electoral promises, particularly with regard to the fight against corruption and poverty. Nonetheless, he highlighted his government's achievements, highlighting its strict respect for fiscal discipline, the reduction of the public debt, and the conclusion of the free trade negotiations with the USA (the implementation of the agreement had already seen a 32% increase in exports to the USA). Regional integration had also made progress, and there was now expectation with regard to negotiating an association agreement with the EU.

He described the relations between the executive and the legislature as frankly 'stormy'. He also denounced the politicisation and lack of independence of the state institutions, instancing the Supreme Electoral Court and the Contraloría (Court of Auditors). The executive was the only institution which operated independently. The 'Pacto' between the PLC and the FSLN had meant the sharing out of these institutions, and of the judiciary and the tax authorities. He therefore

highlighted the democratisation of the institutions as a priority to be tackled by the new government.

The Delegation also asked about the state of the dispute on limits with Honduras and Colombia, which had led to the imposition of special duties on imports from those countries. President BOLAÑOS told us that while waiting for a ruling from the International Court of Justice, the duties on Honduran products have already been abolished, since that country had agreed to submit to the arbitration of the International Court. Colombia had announced that it did not accept such arbitration, and therefore the customs duties remained in force.

With regard to the electoral process, he voiced his confidence that the vote in the presidential elections would not be disputed, although it was true that there might be complaints about the vote in the parliamentary elections.

#### **Meeting with the electoral authorities:**

At our meeting with the President and the **Supreme Electoral Council, Mr Roberto RIVAS**, we reviewed the various problems which had cropped up during the electoral campaign. Mr RIVAS highlighted the bad relations with the electoral authorities.

With regard to the ‘cedulación’ issue, he observed that a large number of *cédulas*, some 12000 of them, had not been claimed, something which he attributed to the unreliability and imprecision of the electoral register, 3% of which he believed consisted of persons deceased. The higher rate of immigration, particularly to the USA and Costa Rica, had also contributed to the approximate nature of the register.

#### **Meeting with representatives of civil society on electoral issues:**

The delegation visited the seat of the **Institute for Development and Democracy**, whose director, **Mr Mauricio ZUNIGA**, said that the Institute’s principal goal was to build a political culture in Nicaragua by training citizens so as to enable them to take part in drawing up policy. This was done by means of projects promoting grassroots’ electoral involvement, or the drawing up of proposals from citizens in favour of reforming the legal electoral framework. Projects were also being carried out with a view to updating the electoral register.

With regard to election day, we were told that 2050 observers would be on duty, and that it would take samples in 10% of the polling stations, which was equivalent to what the Supreme Electoral Council would be doing. From election day to 30 November they would be monitoring possible complaints.

The ‘cedulación’ issue was also tackled, and Mr Zuniga said there were various causes, including the lack of funding which had meant that the offices handling these documents had been closed from 2002 to 2005. Illiteracy, and the costs involved in being entered on the register, had also had an impact. The Institute estimated that between 10 and 20 000 individuals would not be able to vote.

The **Ethics and Transparency** coordinator spoke about the difficult relations with the electoral authorities, largely due to the politicisation of the latter.

He also mentioned that 12 000 citizens had been trained, and it was expected that a rapid count would be feasible, thus providing reliable estimates of the results by about 10 at night. This count had been requested by the main political parties, with the exception of the FSLN.

### **Election day:**

The delegation took part in the opening ceremony, then split up into five groups which attended the opening of various electoral colleges, visited some 30 polling stations throughout the day, took part in the closing of the polling stations, and attended the subsequent counts.

The day was to all intents and purposes absolutely without incident, with merely a significant delay in the opening of numerous electoral colleges. (87% of the polling stations were set up an hour late). This was due to problems in setting up the polling stations and the fact that the members of the polling stations and the observers voted before the stations were opened to the public.

In each polling station, there were four ballot boxes for each of the elections. This created some problems because it was difficult to distinguish between the colours, which were of very similar shades. This difficulty was resolved by allowing the polling station officials to put the ballot papers in different boxes during the count. The turnout, as is traditional in Nicaragua, was almost 80%.

Only when the polling stations closed were there some problems, since some people complained they had not been allowed to vote. The electoral authorities said that at closing time, all voters within the premises could vote.

The elections were the most intensely-observed in Nicaragua's history, involving 18 000 observers and 2000 journalists.

### **The result:**

With 91.48% of the votes counted, the results were:

Presidential:		Parliamentary:
FSLN	Daniel Ortega 38.7%,	37 seats
PLC	José RIZO 26.1%,	18 seats
ALN	Eduardo MONTEALEGRE 29%,	30 seats
MRS	Edmundo JARQUÍN 6.4%	6 seats
AC	Edén PASTORA 0.7%	0 seats



## **Conclusion:**

As has been observed twice already, the 5 November elections were the most heavily observed in Nicaraguan history. The Carter Centre, the OAS and the EU sent observers. Ex-Presidents CARTER, TOLEDO and ALFONSÍN took part in the observation of the elections.

Despite the fact that from a technical point of view the elections took place without incident, with only one complaint during the closure of the polling stations, we should nevertheless highlight the slowness of the count, due in part to the fact that each polling station had to present one single set of results per station, and not per election as in the past.

The task which the new government faces is gigantic. Firstly, it must not disappoint voters' expectations with regard to resolving day-to-day problems, above all poverty and corruption. Secondly, the state apparatus needs to be reformed, and its institutions democratised, including the political parties. The fact that the two-party model has been broken is to a large extent due to the parties' lack of democratisation. Another assignment pending is the depoliticisation of the institutions. Finally, every single one of the necessary reforms will require the government party, unable to rule on its own, to build a majority in the National Assembly.

The electoral legislation, too, needs to be amended in order to take account of the multi-party political scene.

With regard to the future, there is a need for more female candidates. Only one of the ten presidential candidates was a woman, who was standing for vice-president. The percentage of women standing for the National Assembly was a mere 23%. Their position in the lists means that there will probably be fewer of them in the Assembly than there were in the outgoing parliament.

# PARLAMENTO EUROPEO

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DELEGACIÓN AD-HOC PARA LA OBSERVACIÓN DE LAS ELECCIONES EN NICARAGUA

**Domingo, 05 de noviembre de 2006**

## Lista de Participantes

### Miembros de la Delegación

Nombre	Apellido	Grupo político	País
Sr. Emilio	<b>MENÉNDEZ del VALLE</b> , Presidente de la Delegación • Comisión de Asuntos Exteriores, Miembro ***	PSE	España
Sr. Thierry	<b>CORNILLET</b> • Delegación en la Asamblea Parlamentaria Paritaria ACP-UE Vice Presidente • Comisión de Desarrollo, Miembro	ALDE	Francia
Sr. Fernando	<b>FERNÁNDEZ MARTÍN</b> , • Comisión de Desarrollo, Miembro	PPE-DE	España
Sra. Malgorzata	<b>HANDZLIK</b> • Comisión de Mercado Interior y Protección del Consumidor, Miembro	PPE-DE	Polonia
Sr. Daniel	<b>HANNAN</b> • Comisión de Asuntos Constitucionales, Miembro	PPE-DE	Reino Unido
Sr. Eugenijus	<b>MALDEIKIS</b> • Comisión de Industria, Investigación y Energía, Miembro	UEN	Lituania

### Secretaría de la Delegación

Sr. Luis	<b>MARTINEZ GUILLEN</b>	Administrador Principal, responsable de la Secretaría
Sra. Anne	<b>McLAUHLAN</b>	Administrador, comisión de desarrollo
Sr. Raymond	<b>HERDIES</b>	Asistente principal

### Secretarías de los Grupos Políticos

Sr. Juan	<b>SALAFRANCA</b>	Consejero grupo PPE-DE
Sra. Maria	<b>MUNIZ DE URQUIZA</b>	Consejera grupo PSE
Sra. Egle	<b>KROPAITE</b>	Consejera grupo UEN

### Intérpretes

Sra. Françoise	<b>JOOSTENS</b>	FR/ES, Jefe de equipo
Sr. Karl	<b>Mc LAUGHLIN</b>	EN/ES
Sra. Mary	<b>FONS i FLEMING</b>	EN/ES
Sr. Antonio	<b>GARZON JOLI</b>	FR/ES

**Visita Misión Observación Electoral  
Parlamento Europeo  
2-7 Noviembre 2006**

**Jueves 02 de Noviembre**

Llegada a Nicaragua: jueves 02 de noviembre a las 20:25

Vuelo TA315

Recibe: Francesca Mosca, JdD

Traslado al Hotel Intercontinental Metrocentro

19:00: Cocktail en honor de la Misión de Observación Electoral

Residencia JDD

**Viernes 03 de Noviembre**

08:00: Briefing Embajadores EEMM y JdD

Lugar: Sala de Conferencias de la Delegación

09:30 Candidato Alternativa por el Cambio, Edén Pastora

Lugar: DCE

10:30: Reunion con representantes del FSLN

Sr. Jaime MORALES CARAZO y Gal. Alvaro BALTODANO

Lugar: Delegación de la UE

11:30: Candidato MRS, Edmundo Jarquín

Contacto: Sr. Pauni Obregón tel: 270.76.28 Cell: 852.63.30

Lugar: DCE

12:30: Candidato PLC, José Rizo Castellón

Contacto: Maria: 268.76.94/ Cel: 867.16.26

Alvaro Somoza, Cel: 853.82.00

Lugar: Casa de Campaña, km 3,5 Crta. Sur, antiguo edificio VIMSA

13:30 Almuerzo libre

14:30 Audiencia Sr. Enrique Bolaños, Presidente de la República Enrique Bolaños  
y el Canciller Norman Caldera,

Lugar: Casa Presidencial

Contacto: Cándida Zepeda

16:45 Consejo Supremo Electoral

Lugar: oficinas del CSE – Metrocentro

17:45 Candidato ALN, Eduardo Montealegre

Lugar: Casa de Campaña

Contacto: Guadalupe Pérez tel: 867 2701

19:00 Candidato FSLN, Daniel Ortega Saavedra

Contacto: Samuel Santos

Lugar: Oficinas DCE

20:00 Cena con los Parlamentarios

Lugar: Residencia de la Jefa de Delegación Sra. Francesca Mosca

**Sábado 4 de noviembre**

08:00 Encuentro con Sr. Mauricio ZUNIGA de IPADE

Oficinas de IPADA, km 9 ½ Carretera Masaya

09:00 Encuentro con representante de Etica y Transparencia

Hotel Intercontinental, salón Laurel

10:30 Reunión con el Sr. Claudio Fava, Jefe de Misión de la UE  
Lugar: Hotel Holiday Inn

Encuentro con la MOE Nicaragua para entrega de formularios de observación y explicación para su diligencia.

12:30 Almuerzo libre

Tarde: posible salida a terreno

### **Domingo 5 de noviembre**

06.00: Instalación de JRV

07.00: Apertura al público de JRVs – inicio votación  
Recorrido por diferentes puestos de votación  
Observación conteo y consolidación  
Publicación resultados

Lugar: siguiendo el despliegue propuesto por la MOE

### **Lunes 6 de Noviembre**

#### **Actividades post electorales**

Asistencia a reunión con otras misiones de observación electoral internacional de la sociedad civil, partidos políticos, MOE OEA, Dirección MOE Nicaragua

17:00 Rueda de prensa para presentación por parte del Sr. Fava del informe preliminar de la misión - hotel Intercontinental Metrocentro

Intercambio con la Prensa/Entrevistas

### **Martes 7 de noviembre**

08:30 Debriefing con la Comisión Europea

15:20 Regreso a Europa ( vuelo IB 7260)

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06 nov 2006