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The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development

The situation in Central America

Report of the Secretary-General

I. Introduction

1. The present report is submitted pursuant to General Assembly resolution 52/176 of 18 December 1997. It covers developments relating to progress achieved by Central American countries in the areas of peace, freedom, democracy and development since my last report, dated 11 September 1997 (A/52/344), was submitted to the General Assembly.

2. The General Assembly has discussed the situation in Central America since 1983. With the signing, on 7 August 1987, of the agreement known as Esquipulas II (A/42/521-S/19085, annex), the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua undertook to initiate processes of democratization and national dialogue in their countries, to bring about ceasefires and promote free and fair elections. In February 1989, the Presidents called upon the United Nations to become involved in the verification of those agreements. Since that time, the Organization has encouraged and assisted Central American countries in the steps taken to consolidate their progress towards peace, freedom, democracy and development.

3. Two important peacekeeping missions have been carried out in Central America under the authority of the Security Council: the United Nations Observer Group in

Central America (ONUCA) (November 1989–January 1992) and the United Nations Observer Mission in El Salvador (ONUSAL) (July 1991–April 1995). By its resolution 1094 (1997) of 20 January 1997, the Security Council also authorized the attachment to the United Nations Mission for the Verification of Human Rights and of Compliance with the Commitments of the Comprehensive Agreement on Human Rights in Guatemala (MINUGUA) of a group of military observers to verify the demobilization of combatants of the Unidad Revolucionaria Nacional Guatemalteca (URNG) (March–May 1997).

4. For its part, the General Assembly authorized the United Nations Observer Mission to Verify the Electoral Process in Nicaragua (ONUVEN) (August 1989–April 1990) and, on 19 September 1994, adopted resolution 48/267, establishing MINUGUA. After Guatemala's Firm and Lasting Peace was signed on 29 December 1996 (A/51/796-S/1997/114, annex II), the General Assembly authorized, by resolution 51/198 B of 27 March 1997, the renewal of the mandate of MINUGUA, thereafter known as the United Nations Verification Mission in Guatemala, and to expand its mandate to verify all the peace accords. Meanwhile, following the completion of the mandate of ONUSAL, a smaller Mission of the United Nations in El Salvador (MINUSAL) was established on 1 May 1995; MINUSAL was in turn replaced on 1 May 1996 by the United Nations Office of

* A/53/150.

Verification in El Salvador (ONUV), which, pursuant to resolution 51/199 A of 17 December 1996, was further reduced to a support unit from 1 January 1997 until 30 June 1997, and, thereafter, following resolution 51/199 B of 31 July 1997, to a follow-up unit of two international Professionals within the office of the United Nations Development Programme (UNDP) in El Salvador until 31 December 1997. During 1998, the follow-up unit was further reduced in size and its mandate extended for a final six-month period, as recommended in my letter dated 15 December 1997 to the President of the General Assembly (A/52/731) and authorized by the General Assembly in its decision 436 of 18 December 1997. The follow-up unit's work ended on 30 June 1998. In addition, most programmes and agencies of the United Nations system continue to provide technical assistance to Central America within country programmes or regional frameworks.

5. The present report concentrates on the five signatories to the Esquipulas process; in accordance with the new Central American agenda and the composition of Central American summit meetings, reference is also made to the situation in Panama and in Belize.

II. The Central American process

6. In the eleventh year since the signing of Esquipulas II Agreements which created the framework for the "Procedure for a Firm and Lasting Peace in Central America", the countries throughout the region have continued efforts to further enhance the improved prospects for the goals of peace, democratization, reconciliation, development and justice reiterated by their Governments. A desire to enhance these goals through the process of Central American Union was made evident in the joint participation of the Presidents of the Central American countries in the general debate at the fifty-second session of the General Assembly, during which, in accordance with the commitments undertaken, they reaffirmed their desire and political will to continue doing their utmost to expedite, gradually and progressively, the Central American Union referred to in the Declaration of Nicaragua of 2 September 1997, as a higher expression of the common association called for in the Tegucigalpa Protocol of 12 December 1991 (A/46/829-S/23310, annex III).

7. Democratically elected Governments have shown themselves to be stable in the face of internal difficulties. Thus, presidential elections were held in Honduras on 30 November 1997 and in Costa Rica on 1 February 1998. In Nicaragua, elections were held peacefully in the Atlantic Coast region on 1 March 1998. Similarly, Guatemala held

municipal elections in 30 municipalities on 7 June 1998. Panama continued the process of broadening national consensus around the goal of a successful management of the transfer of the Canal to exclusive Panamanian control after 31 December 1999.

8. According to the Economic Commission for Latin America and the Caribbean (ECLAC), Central America's economic performance improved in 1997.¹ The region's gross domestic product grew by 4 per cent compared to a modest 2.1 per cent rate the year before. The higher growth rate was due in part to renewed dynamism in Costa Rica's economy and the acceleration of growth in El Salvador and Guatemala. The political situation in the region was greatly improved by the signing of the Guatemalan Peace Agreements, which ended the cycle of instability that had for a long time negatively affected social and economic development. Investments were mainly oriented to the tourism sector and the expansion of the "*maquila*" (manufacturing for export) industry. In accordance with regional agreements, most countries gradually reduced their external tariffs, thus stimulating trade in the region. Privatization is currently under way in many sectors. The increased economic activity, coupled with the growth in imports, has also led to growing current account deficits. Despite a general improvement in the region's economy, this did not translate into a parallel decrease in unemployment, an area in which minimal progress was achieved. Several economic sectors, primarily agriculture and the hydroelectric industry, were adversely affected by the El Niño weather phenomenon.

9. Notwithstanding some difficulties, efforts have continued to strengthen democratic institutions and to bring military and public security bodies under the control of civilian authorities. The offices of the ombudsmen for human rights in El Salvador, Guatemala and Honduras have proceeded with their work, which is crucial for the vigilance and accountability of democratic institutions in the area of human rights. However, ombudsmen who attended a regional meeting in April 1998 in Honduras expressed concern regarding a region-wide tendency to limit the role of their offices and decrease their budgets. Honduras has continued the process of demilitarizing public security, creating the position of a civilian Security Minister and recently proposing the appointment of a civilian to take charge of the country's defence. In Guatemala, the constitutional amendments required by the Peace Agreements to limit the role of the armed forces to that of external defence are yet to be approved by Congress. Meanwhile, efforts continue to strengthen the capacity and deployment of Guatemala's new National Civil Police. However, throughout the region, institutions responsible for public security are confronted with alarming

levels of common criminality, which have their origin in the economic and social hardships experienced by a large proportion of the population, combined with difficulties in the process of reintegration of former combatants and those displaced by conflict. In June 1998, the Inter-American Development Bank (IDB) organized a Forum on Citizen Security in the region to analyse the social and economic causes and costs of violence. The Bank's President expressed his concern that continued crime might seriously undermine economic and social development.

10. In their "Declaration of San Salvador II" (A/49/901-S/1995/396, annex V), the Central American Presidents recognized widespread unemployment, social deterioration and poverty as problems requiring urgent attention. However, the pursuit of policies necessary for macroeconomic stabilization, liberalization of the economy and modernization of the State has done little to advance the alleviation of widespread poverty or the much needed creation of employment. While the risk of social unrest remains real, the fact that incidents of this nature have not been more frequent can be attributed to the region's high level of political organization and, to some extent, to the memories of recent experiences of internal conflict.

Regional cooperation and integration

11. The reporting period has seen the further consolidation of the Alliance for the Sustainable Development of Central America, an ambitious and comprehensive initiative to promote respect for life, peace, democracy, human rights, ethnic diversity, economic integration and sustainable development which was first established by the Presidents of Central America in 1994 (see A/49/580-S/1994/1217, annex I). Building on subsequent meetings held at Costa del Sol, El Salvador, in October 1995 and the seventeenth presidential summit held at San Pedro Sula, Honduras in December 1995 (A/51/67), the eighteenth presidential summit, held at Montelimar, Nicaragua in May 1996 (A/50/998-S/1996/497) reaffirmed the Alliance and, in particular, emphasized the field of tourism with the adoption of the Programme of Action for the Development of Tourism in Central America (*ibid.*, annex II). As a result of a special presidential summit held in November 1997, the Dominican Republic was also included in the Alliance's framework.

12. At their nineteenth summit, held at Panama City from 10 to 13 July 1997, the Central American Presidents approved a reform of the System of Regional Integration to allow the transition from an intergovernmental system to a community system. The resulting Guidelines for the

Strengthening and Rationalization of Regional Institutions, based on a joint ECLAC/IDB report,² proposed that the Presidents should meet at least once a year to make strategic and political decisions on integration while a Council of Foreign Ministers would operate as the main decision-making body on the integration of foreign affairs, economy, social affairs and the environment. Other reform proposals were aimed at streamlining the Central American Parliament (PARLACEN), the Central American Court of Justice and the Central American Integration System (SICA) and at establishing a regional mechanism to coordinate international cooperation.

13. In September 1997, the Central American Presidents, the Prime Minister of Belize and the Vice-President of the Dominican Republic, met at Managua in an extraordinary session and signed the Declaration of Nicaragua. The Declaration aims to build a Central American Union which will further strengthen regional integration, better harness common efforts towards sustainable development and help to meet the challenges of globalization. It was agreed that a high-level group would be established to prepare the conditions for the creation of the Union. Recent progress in all the above-mentioned issues will be discussed and evaluated at the twentieth presidential summit to be held in Guatemala in November 1998.

14. With regard to territorial disputes in the region, progress appears to have been made on the issue of the land pockets (*bolsones*) along the border between Honduras and El Salvador (most of which were awarded to Honduras by the International Court of Justice in the border dispute in September 1992); thus, on 19 January 1998, the Presidents of Honduras and El Salvador signed an accord agreeing to demarcate the border within a year, and a convention resolving the problems of nationality and property ownership for the border population.³ Some headway has also been made on the demarcation of the waters of the Gulf of Fonseca (where Honduras, El Salvador and Nicaragua claim rights), with Nicaragua and Honduras having agreed in March 1998 to better signal their maritime limits. Regarding the disputes over transit on the San Juan River along the border between Nicaragua and Costa Rica, the countries concerned have consistently emphasized the need to settle their differences through dialogue.

Extraregional cooperation

15. The countries of Central America continue to stress the importance of the role played by the international community in promoting peace, freedom, democracy and development

within the region. At a time of pressing demands for international assistance, they urged that this support must be maintained if the progress made in recent years is to be consolidated.

16. Throughout the peace processes of El Salvador and Guatemala, members of the international community have provided direct encouragement and support through the Group of Friends mechanism. In the case of El Salvador, the Group of Friends consisted of Colombia, Mexico, Spain and Venezuela, with the later addition of the United States of America, while in Guatemala, it consisted of the countries mentioned above, with the addition of Norway. In Nicaragua, a Government initiative allowed friendly countries (Canada, Mexico, the Netherlands, Spain and Sweden) to form a Support Group, with UNDP serving as its technical secretariat, to follow Nicaragua's transition and to support internal consensus-building. The Support Group was particularly active in stimulating international support for the electoral process in 1996; in supporting UNDP's project to facilitate property titling and indemnity; and in helping Nicaraguans make their case vis-à-vis donors and international financial institutions on the external debt issue. The Group was dissolved following the conclusion of the second consecutive transfer of power to a democratically elected Government in January 1997.

17. The First Summit of the Americas, held at Miami, Florida, United States from 9 to 11 December 1994, led to the commitment of all participants to work together, under the coordination of the Trade Unit of the Organization of American States (OAS), towards the establishment of a Free Trade Area of the Americas (FTAA) by the year 2005. The Second Summit of the Americas took place at Santiago de Chile, from 18 to 19 April 1998, and established that the 34 participating countries share common goals in areas as diverse as democracy, education, poverty alleviation and drug trafficking. The members also made a renewed commitment to the establishment of an FTAA by the year 2005. The Santiago Declaration called for a hemisferio de valores compartidos consisting of a free trade area for goods, investments and services with full respect for democratic systems. Although the President of the United States has not obtained Congressional approval to negotiate a fast-track agreement, steps were taken to establish the mandates of the nine technical commissions negotiating specific issues for the FTAA: agriculture, subsidies, competition policy, free access to markets, investments, services, public sector purchases, intellectual property, solution of controversies and a consultative group on smaller economies. A summit implementation revision group (Grupo de Revisión de la Implementación de Cumbres) was created to revise advances

in the implementation. OAS will continue to operate as a registry of advances and will provide technical support to the Group. ECLAC, IDB, the World Bank and the Pan-American Health Organization are called on to play a role in funding and technically supporting the plan of action.

18. The region's political dialogue and economic cooperation with the European Union was enhanced at the San José XIV Ministerial Conference, held in Costa Rica on 10 and 11 February 1998 and attended by the Foreign Ministers of the Central American countries, the European "Troika" (Foreign Ministers of Austria, Germany and the United Kingdom of Great Britain and Northern Ireland), European Commissioner Manuel Marín, representatives from the Group of Three (Colombia, Mexico and Venezuela), and Belize and the Dominican Republic as observers. The European Union called for the start of a new era of relations with Central America based on support for the consolidation of peace and democracy. Three major topics were discussed, namely, cooperation, trade and investment. The European Union emphasized the need for Central American countries to push ahead in the process of political and economic integration, in accordance with the new cooperation guidelines redefined by both parties during their twelfth meeting and confirmed at the thirteenth meeting held at The Hague. The guidelines focused on the strengthening of the rule of law; support to social policies; and support to the Central American integration process.

19. The "Tuxtla Group", consisting of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua and Panama, was founded in 1991. Since 1996, it has met at the level of Heads of State every two years. At the Tuxtla III conference, which took place at San Salvador on 17 July 1998, the eight countries agreed to join forces in areas of common political and economic interest, decided to act as partners in commerce, services and investment and issued a 69-point agreement including articles on immigration, the fight against drugs, education, technical exchanges, health, transportation and cultural development. In other instances of extraregional cooperation, El Salvador, Guatemala and Honduras made progress in negotiating a joint free trade agreement with Mexico, to be signed before the end of 1998. Costa Rica signed a similar agreement in 1994 and Nicaragua did so in 1998.

20. In February 1997, the Permanent Secretariat of the General Treaty on Central American Economic Integration (SIECA) signed an agreement with the Association of Caribbean States, aimed at promoting programmes for the commercial and investment potential of the region and an agreement to conduct regular meetings and take joint actions. At a special summit of Central American Presidents,

including those of Panama and Belize, held in the Dominican Republic from 5 to 7 November 1997, the region's representatives manifested their willingness to extend the integration process to other areas. Thus, the Dominican Republic was included as a partner in the Sustainable Development Alliance and later, on 17 April 1998, signed a free trade agreement with the five Central American countries which will go into effect in January 1999. The Dominican Republic also made a commitment to present a proposal to the members of the Caribbean Community (CARICOM) to initiate contacts with a view to strengthening their ties with Central America.

21. The economic contribution of the international community to the peace processes in Central America continues to follow the course established during a series of Consultative Group meetings organized by IDB and attended by representatives of the international financial institutions (IDB, the International Monetary Fund (IMF) and the World Bank) and donor countries. In the case of Guatemala, a meeting will take place in Brussels in late October 1998, to follow up the international donor community's support to the peace process up to the year 2000. Regarding Nicaragua, a Consultative Group meeting held at Geneva from 1 to 2 April 1998 resulted in pledges of US\$ 1,300 million. In this context, at a meeting of the Paris Club, held on 21 April 1998, it was agreed to reduce Nicaragua's foreign debt by US\$ 200 million.

22. The President of the World Bank discussed and reviewed his institution's relations with Central American countries during a visit to the region in March 1998. Currently, the World Bank's loans are being shifted from classic agricultural and industry activities to support commerce, finance, export of non-traditional goods and the stock market. Similarly, IDB, the World Bank and IMF have developed a new approach⁴ based on the linkage between economic growth and social development, along four axes: (a) full involvement of rural and indigenous communities; (b) broader coverage of basic social services; (c) modernization of state and public institutions; and (d) development of the environment and private sector. In Guatemala, the President of the World Bank launched an appeal to the International Financial Corporation to increase its assistance to Central American private sectors, so as to promote their active role in the sustainable development of the region. The Bank considers that the promotion of the economic potential of the poorest sectors of Central American societies will reduce the possibility of the resumption of social conflicts that might endanger political stability.

23. OAS has continued to contribute to the Central American process, having assumed a leading role on trade

issues throughout the Americas. OAS cooperation with the region has continued to be extended through the Central American Mine-Clearance Programme, carried out in conjunction with the Inter-American Defence Board, as well as through the presence of the OAS International Support and Verification Commission in Nicaragua, which in June and July 1997 verified, together with the Catholic Church, the disarmament and demobilization of the Frente 3-80. During its latest summit, held at Caracas in June 1998, OAS renewed its mandate to strengthen Latin American democracies, provide human rights protection, mine clearance and electoral assistance. In accordance with the commitments of the II Summit of the Americas, OAS is called upon to play a role in the strengthening of its own human rights institutional framework. In this context, OAS established a Special Rapporteur to oversee freedom of expression in the region and will also be in charge of the promotion of women's rights, given the existence of laws and practices which impede *de jure* and *de facto* equality of women in the region. Also stressed was the role that OAS might play in involving civil society in all its planned activities.

III. United Nations

24. Since I last reported to the General Assembly on the situation in Central America (A/52/344), the United Nations has continued to support the countries of Central America in their efforts to consolidate peace, democracy and development within the mandates entrusted to the Secretary-General and the various programmes and agencies of the United Nations system. In El Salvador, a small follow-up unit continued to verify implementation of outstanding elements of the peace agreements until 30 June 1998 (see para. 4 above). In Guatemala, MINUGUA continues to verify compliance with the Peace Agreements which came into effect in December 1996. In addition to these specific missions, United Nations operational activities have been carried out within national and regional programmes.

United Nations in El Salvador

25. On 17 December 1996, the General Assembly, by its resolution 51/199 A, decided that the responsibilities of verification and good offices entrusted to the United Nations should be executed through periodic visits to El Salvador by a high-level envoy from New York, Mr. Alvaro de Soto, who would be assisted for a six-month period by a small support unit in the field. The implementation of the peace accords was at a sufficiently advanced stage to allow me to recommend to

the General Assembly that this support unit be closed down as a separate entity on 30 June 1997. By its resolution 51/199 B of 31 July 1997, the General Assembly decided to close down the support unit and welcomed my proposal to assign two international Professionals and two local consultants to a unit to work under the administrative structure of UNDP, for a period of six months. In my letter dated 15 December 1997 (A/52/731), I informed the General Assembly of developments in the peace process in El Salvador, particularly those aspects of the peace accords in the socio-economic area which had yet to be fully implemented. In its decision 52/436, the General Assembly welcomed my proposal to maintain the unit for a further six months, until 30 June 1998.

26. In my report to the General Assembly of 1 July 1997 (A/51/917), I noted the extraordinary transformations that had taken place in El Salvador, five years after the conclusion of the negotiations which were conducted under the auspices of the United Nations. In particular, I stressed that the demilitarization process, the holding of national elections and the creation of key democratic institutions had contributed greatly to the consolidation of the peace process. I outlined the importance of maintaining a subsidiary role of the military in the preservation of internal security, whereas the National Civil Police remains crucial to the maintenance of public security. I also noted the importance of the National Counsel for the Defence of Human Rights (ombudsman), which is one of the key institutions created under the peace accords. In the socio-economic area, I indicated that there were a number of the peace accords on which implementation had yet to be completed. In accordance with General Assembly resolution 51/199 B, I updated the Assembly in my report of 15 December 1997 (A/52/731) and reported on the four priority areas being followed by the support unit: the Land Transfer Programme, the Human Settlements Programme, the excess of the constitutional limit of 245 hectares, and the Fund for the War-Wounded. While some advances had been made, progress was still slow.

27. The gradual reduction of the presence of the United Nations in El Salvador means that new arrangements have to be made to mainstream the outstanding elements of peace accords into the political and development agenda of the country. In my letter dated 1 July 1998 addressed to the President of the General Assembly (A/52/1008), I provided a further update on the above-mentioned four pending issues. I reported that the Land-Transfer Programme had advanced significantly and could be considered close to completion, owing to the active role played by the implementing agency, the Land Bank. Of greater concern was the human settlements programme, largely because of obstacles in the deed registration process by the Land Registry and prolonged

delays in the payment to property owners. The United Nations had complied with its commitment to investigate the 40 remaining properties allegedly in excess of the constitutional limit of 245 hectares, but the Salvadorian Institute for Agrarian Transformation (ISTA) still appeared reluctant to take action. The situation previously outlined in my report of 1 July 1997 (A/51/917) concerning the obstacles faced by relatives of deceased combatants who did not appear in the original 1993 census remained unchanged.

28. The United Nations remains committed to the consolidation of the peace-building process in El Salvador. I have thus entrusted UNDP with the responsibility to follow up and to explore mechanisms to assist the Government of El Salvador in the implementation of pending issues, in consultation with donors. In this regard, steps are being taken to develop a common United Nations political and development approach to integrate the pending issues into a broader agenda oriented towards their successful completion. I have asked the United Nations Resident Coordinator, currently the UNDP Resident Representative, to coordinate this effort, in order to facilitate the continuity of the process. Meanwhile, the verification and good offices functions of the Organization will continue to be carried out from Headquarters.

The peace process in Guatemala

29. As part of an exemplary instance of post-conflict peace-building, the United Nations, through MINUGUA, has continued to verify the implementation of the comprehensive peace agreements concluded between the Government of Guatemala and the Unidad Revolucionaria Nacional Guatemalteca in December 1996, and to provide good offices and advisory services. On 31 October 1997, I reported to the General Assembly (A/52/554) on progress in the implementation of the agreements and recommended that minor adjustments be made to the structure and staffing of MINUGUA to enable the Mission to function more efficiently. I also recommended that the mandate of MINUGUA be renewed from 1 April 1998 to 31 December 1999, in order to allow for adequate substantive and administrative planning within the regular budget for the biennium 1998–1999. However, by its resolution 52/175 of 18 December 1997, the General Assembly authorized the renewal of the mandate of MINUGUA only until 31 December 1998.

30. The second phase for implementation of the Guatemalan agreements, covering the period from July to December of 1997, placed emphasis on social investment, public administration reform, rural development, fiscal reform and

the restructuring of public security and national defence. I described the achievements and shortfalls of this phase in my report of 4 February 1998 (A/52/757). I stressed that, in the year since the signing of the agreements, many recent positive trends had been consolidated, namely, greater pluralism and political freedom and a marked increase in the participation of the indigenous population and women's groups in all aspects of national life. The peaceful integration of URNG ex-combatants and the transformation of the URNG into a political party were other signs of positive change. MINUGUA had noted a growing commitment to overhaul the judiciary and public security institutions; state action was being redirected towards social investment and rural development and new institutions were being created to deal with land disputes. Another important development had been the gradual decrease in the role of the armed forces, the only exception to this trend being the use of military personnel in public security, given the limitations of the police in dealing with high crime levels. I stressed that this showed the importance of making every effort to strengthen the National Civil Police. However, despite the efforts made, I noted that important commitments would have to be rescheduled to the third phase of the timetable (1998–2000), among them, the crucial tax reform commitments required to finance social development programmes and strengthen institutions. In addition, I indicated that popular support for the peace process was still being undermined by the lack of public security and by persistent economic and social difficulties. While there were no immediate solutions to these problems, I underlined the need for commitments to be maintained where the social debt was most pressing and for all sectors of society to be involved more actively in support of the peace agenda.

31. On 26 April 1998, the Most Reverend Juan José Gerardi, Auxiliary Bishop of the Diocese of Guatemala and Coordinator of the Archdiocese Human Rights Office, was brutally assassinated in Guatemala City. His death, coming only two days after the public presentation of the report of the "Project for the Recovery of Historical Memory" (REMHI), which documented the human rights violations that occurred during the 36-year conflict, had a profoundly disturbing effect at both the national and international levels. In a communiqué issued on 27 April 1998 (SG/SM/6360), I deplored the crime and expressed the hope that light would soon be shed on the circumstances behind it. MINUGUA has been monitoring the activities of the institutions responsible for investigating the crime since it was committed. At the time of drafting this report, the motives and circumstances behind the murder remain unclear. It is essential that the culprits be identified and brought to trial in order to dispel the sense of impunity which has re-emerged following the crime.

32. Throughout the period covered by the present report, MINUGUA continued to verify compliance with the Comprehensive Agreement on Human Rights (A/48/928-S/1994/448, annex I) and reported separately on this issue. On 15 June 1998, I transmitted to the General Assembly the Mission's eighth report on human rights (A/52/946), covering the period from 1 July 1997 to 31 March 1998. In that report, MINUGUA stressed that criminal violence was one of the main factors affecting human rights in Guatemala and noted that, despite the State's efforts, serious shortcomings in the administration of justice and the National Civil Police still prevented the effective investigation, prosecution and punishment of offenders. The strengthening of the judiciary and public security apparatus was a long-term commitment and MINUGUA pointed out that it required a sustained commitment on the part of the State and society at large. At the same time, the Mission expressed its concern regarding the frequent recourse to illegal methods or to the practice of taking justice into one's own hands. It stressed that the numerous cases of lynching and "social cleansing" and the possible resurgence of illegal security forces and irregular armed groups were fundamentally incompatible with the rule of law and urged that this matter be given priority on the State's security agenda.

33. On 21 and 22 July 1998, I visited Guatemala as part of an official tour of five Latin American nations and I was able to have constructive meetings with the President and his Cabinet, the leaders of the URNG, the Follow-Up Commission, the Historical Clarification Commission and the Archbishop of Guatemala. I was also able to discuss the peace process with the numerous partners of the United Nations system who are efficiently contributing to post-conflict peace-building in Guatemala, as was evidenced in the United Nations country team's detailed presentation to the Economic and Social Council on 14 July. During the visit, I stressed that I would like to see all Guatemalans embrace the peace process in a spirit of tolerance and reconciliation. Upon being honoured with the Orden del Quetzal (see SG/SM/6648), I acknowledged that the road to peace was not without obstacles and difficulties and encouraged Guatemalans to persevere in implementing the peace agenda in order to make the Peace Agreements a reality. In this context, I also noted the importance of moving forward on constitutional reforms as well as on essential tax, land and justice matters.

34. A report on compliance with the commitments of the Peace Agreements between January and July 1998 is to be issued shortly. I am also preparing to transmit to the General Assembly my recommendations regarding the renewal of the mandate of MINUGUA after 31 December 1998.

35. This period can be viewed as the most promising phase of Guatemala's recent history. The months ahead will be

crucial to the consolidation of essential political, social and economic transformations, and it is to be hoped that the activities leading up to the presidential elections of November 1999 will not slow down or halt the process. The peace agenda represents a blueprint for the implementation of these profound changes and the parties to the Peace Agreements, national institutions and society at large will have to move forward vigorously to make them a reality. The United Nations, through MINUGUA and the partners of the United Nations system, remains ready to help them in this endeavour.

United Nations operational activities

36. United Nations support to Central America through operational activities is comprehensive and diversified. It has sought, in particular, to facilitate the regional process of development on the basis of subregional and national cooperation frameworks. In 1996, UNDP started a new programme of subregional cooperation in Central America, designed in response to the priorities and commitments established by Central American Presidents at their summits. The programme focuses on three main areas: peace and democratic governance; eradication of poverty and sustainable development of natural resources.

37. In the area of peace and democratic governance, the United Nations operational system has provided assistance to consensus-building processes and building capacity of democratic institutions. At the subregional level, projects have provided support to the secretariat of the Central American Integration System and strengthened regional organizations representing civil society to facilitate their participation in the integration process.

38. The United Nations system continued to support peace and democratization throughout the region. In Guatemala, UNDP, working in coordination with bilateral donors, the European Union and United Nations agencies, assisted in the demobilization of URNG ex-combatants, and is supporting their long-term social and economic integration through various projects. UNDP was also involved in supporting the demobilization of almost 2,000 combatants from groups in the north of Nicaragua and continued helping the reintegration of former combatants in Nicaragua and El Salvador. The strengthening of democratic institutions is assisted through various projects, specifically in the areas of judicial reform (creation of public defender systems in El Salvador and Guatemala) public security, offices of the human rights ombudsmen, fiscal reform and the process of decentralization. In Guatemala, the United Nations conducted programmes for the resettlement of uprooted populations, the promotion of respect for the identity and rights of the indigenous peoples

and the resolution of land conflicts through the creation of cadastral systems and new institutions.

39. With regard to the eradication of poverty, the United Nations has continued the inter-agency execution of the Programme for the Promotion of the Human Sustainable Development in Central America, aiming at establishing regional, local and national consensus among the main social actors and strengthening local organizations in peripheral areas of Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. Another important undertaking is the UNDP project entitled "Technical assistance for the Agricultural Development of Central America", which assists the Central American Governments with their policies and modernization programmes in the area of agriculture and institutional reform of the rural sector. The project involves the financing and participation of the World Bank, IDB, the International Fund for Agricultural Development, the Food and Agricultural Organization of the United Nations (FAO) and the Inter-American Institute for Cooperation on Agriculture (IICA).

40. In compliance with the Beijing Plan of Action, a joint UNDP, United Nations Children's Fund (UNICEF), United Nations Development Fund for Women, United Nations Population Fund (UNFPA), Joint and Co-sponsored United Nations Programme on Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (UNAIDS), Office of the United Nations High Commissioner for Refugees (UNHCR), Office of the United Nations High Commissioner for Human Rights and ECLAC project entitled "Human Rights Campaign on Violence against Women and Girls" supports the preparation of national reports on gender violence, as an input to the mid-term evaluation of the Beijing Platform for Action. In addition, a regional conference on gender and violence is under preparation for the last quarter of 1998. In June 1998, the First Ladies of Central America, in cooperation with IICA and IDB, established the Regional Council for Rural Women.

41. Finally, the United Nations supported a number of projects aimed at the protection of the sustainable development of the environment in Central America. At the subregional level, UNDP, through the Global Environmental Facility, is assisting the Central American Commission on the Environment in its efforts to establish a programme for the consolidation of the Meso-American Corridor and to set up a funding mechanism to address global environmental issues. In addition, UNDP is supporting national efforts to fulfil the countries' commitments as parties to the United Nations Framework Convention on Climate Change and to the Convention on Biological Diversity.

42. In accordance with the recommendations issued in my report of 14 July 1997 (A/51/950), Guatemala was selected to be among the pioneering countries for developing a United Nations Development Framework. The experience of Guatemala was presented to the Economic and Social Council on 14 July 1998. The United Nations country team in Guatemala⁵ is working on a framework of support to the peace accords. This is a clear example of United Nations interaction with the Government and donors in the context of post-conflict peace-building. The country team includes 17 members from programmes and funds, as well as the humanitarian and specialized agencies, MINUGUA and the World Bank. Close relations are maintained with IMF and the Inter-American Development Bank (IDB).

IV. Observations

43. The Central American peace process has evolved considerably since the signing of the Esquipulas II Agreement. For the first time in decades, not one of the countries in the region is plagued by internal conflict. However, for the peace to be firm and lasting, strong linkages must be maintained between freedom, democracy and development. The challenge of fulfilling the promise of peace is one of which Central American Presidents are acutely aware. As stated in the joint presentation during the fifty-second session of the resolution on Central America (52/176), the Presidents acknowledge the serious structural issues which still lie ahead, noting that the challenge of meeting them is closely related to progress in human development, particularly in the alleviation and ultimate eradication of extreme poverty, the promotion of economic and social justice, progress in judicial reform and the safeguarding of human rights. I therefore warmly encourage all their efforts to ensure, as they stated in the Second Panama Declaration of 12 July 1997, the strengthening of democracy and institutional transformations and I welcome their steps towards an integrated system which would consolidate Central America as a region of peace, freedom, democracy and development.

44. I am certain that, with the support and efforts of the international community as a whole, the Central American region can rise to these challenges and become a model of conflict resolution, consolidated by peace and democracy through comprehensive development and the adoption of political solutions (see A/49/901-S/1995/396, annex 1). At this critical stage, the consolidation of the deep transformations experienced by Central American societies requires the full involvement and support of both the Central American nations and the international community, to prevent the resurgence of the causes of conflicts in the region. As

Secretary-General, I am ready to continue to play the active role in this process entrusted to me by the General Assembly.

Notes

¹ "Centroamerica: evolución económica durante 1997", Comisión Económica para América Latina y el Caribe, LC/MEX/L.356, 21 July 1998.

² "Diagnóstico de la Institucionalidad Regional Centroamericana", LC/MEX/R.581/Rev.2, 28 February 1997.

³ "Convención sobre la Nacionalidad y Derechos Adquiridos en las Zonas Delimitadas por la Corte Internacional de Justicia de la Haya el 11 de septiembre de 1992" and "Acuerdo para la Ejecución del Programa de Demarcación de la Frontera El Salvador-Honduras".

⁴ "Una guía al Banco Interamericano de Desarrollo, Al Banco Mundial y al Fondo Monetario Internacional". John Ruthrauff. Segunda edición, 1997. Centro para la Educación Democrática.

⁵ MINUGUA, UNDP, UNFPA, UNICEF, the World Food Programme, UNAIDS, the United Nations Office for Project Services, the United Nations Volunteers, UNHCR, the United Nations High Commissioner for Human Rights, the United Nations Educational, Scientific and Cultural Organization, PAHO/World Health Organization, FAO, the United Nations Industrial Development Organization, the International Labour Organization, the World Bank, the United Nations Centre for Human Settlements (Habitat), ECLAC, the United Nations Centre for Human Settlements and the International Organization for Migration.