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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 55/178 of 19 December 2000. It outlines the progress achieved by Central American countries relating to peace, freedom, democracy and economic development since my last report (A/55/465).

2. The General Assembly has discussed the situation in Central America since 1983, and in my yearly reports to the Assembly I have described the efforts of the peoples of the isthmus and those of the Organization to bring an end to the armed conflicts that plagued the region in the 1980s. As the fighting gave way to reconciliation initiatives and programmes designed to promote sustainable development, the foundations were being laid for new societies without the structural inequities that fostered war over two decades ago.

3. The United Nations has been intimately involved in peacekeeping, peacemaking and peace-building efforts in the region since 1989, when the leaders of Costa Rica, El Salvador, Guatemala, Honduras and

Nicaragua requested verification of the Esquipulas II agreement that they had reached two years earlier (see A/42/521-S/19085, annex). Since then, both the Security Council and the General Assembly have fielded Missions mandated to accompany the region's peoples in their search for peace. The missions deployed with Security Council mandates, namely, the United Nations Observer Group in Central America (ONUCA) (1989-1992) and the United Nations Observer Mission in El Salvador (ONUSAL) (1991-1995), and those deployed under General Assembly mandates are: the United Nations Observer Mission to Verify the Electoral Process in Nicaragua (ONUVEN) (1989-1990) and the United Nations Verification Mission in Guatemala (1994 to the present). Noting significant progress in the implementation of the peace accords reached between the Government of El Salvador and the Frente Farabundo Martí Para la Liberación Nacional (FMLN), ONUSAL was greatly reduced in 1995 and renamed the Mission of the United Nations in El Salvador (MINUSAL). That small follow-on Mission was, in turn, closed in 1998 and, in consultation with the parties, it was agreed that the office of the United Nations Development Programme (UNDP) in El Salvador would continue to follow pending issues.

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\* The footnote requested by the General Assembly in resolution 54/248 was not included in the submission.



## II. Central American process

### Electoral processes

4. The democratic systems of Central America continue their consolidation as elections still unfold peacefully throughout the region. Clear and transparent institutions, multiparty systems and citizen participation are important elements of good governance, as countries enter what could be considered “second-generation” electoral processes. Elections are only one element in constructing effective democratic institutions that will promote peace and development for the citizenry of the region.

5. General elections are due in November 2001 in both Honduras and Nicaragua. On 4 November 2001, Nicaraguans will choose a President, national and departmental parliamentarians for the National Assembly and members of the Central American Parliament. There has been much concern in recent months over the partisan nature of the Supreme Electoral Council and some of the decisions that this electoral body has made in the current electoral process. On 4 September 2001, Magistrates of the Supreme Electoral Council signed an accord by which they assured the Nicaraguan people that they would fully carry out their duties throughout the rest of the electoral process. However, the tone of the current political campaign is a cause for concern. I therefore call upon all parties to exercise tolerance and to respect the will of the Nicaraguan people on election night.

6. On 25 November 2001, Hondurans are scheduled to vote in presidential, national and municipal elections. It is worth noting that, owing to modifications in the Electoral Law, this will be the first time that Hondurans living abroad will be entitled to vote. The voting, however, will be limited to various cities in the United States of America, where there is a high concentration of Honduran émigrés. I commend the presidential candidates on their “Manifesto of the Political Parties to the Honduran People”, signed on 4 September 2001, whereby they commit themselves to reforming existing political and electoral structures after the elections in November. Both domestic and international actors should stand ready to assist the Honduran people in consolidating the democratic process.

7. Over the past decade, countries of the region have sought to develop legal and institutional frameworks

that would allow for the participation of all political tendencies. In this respect, there is still much work to be done in establishing politically independent electoral bodies and ensuring conditions for genuine competition among all political parties. Furthermore, the strengthening of citizen participation in electoral and other political processes continues to be of utmost urgency. The coming elections in Honduras and Nicaragua will be important tests for the further consolidation of democracy in the region.

### Rule of law

8. A number of resolutions were adopted at the April 2001 Summit of the Americas held in Québec City which should provide a firm foundation for the next stage in consolidating institutional human rights guarantees. With the end of armed conflict, human rights violations are no longer systematic nor the norm, yet violations do occur and the institutions designed to protect rights and to try violators are still weak and require strengthening. As reform efforts continue, justice sector professionals and human rights defenders may find support in statements of principle made in Québec City on strengthening the inter-American system on human rights; migration; the rights of women, children, adolescents and indigenous peoples; gender equality; freedom of opinion and expression; access to justice; the independence of the judiciary; and cultural diversity.

9. The election on 6 July of a new ombudsman in El Salvador is cause for great optimism that this important creation of the peace process will achieve the necessary durability to play its mandated role. Five years ago opinion polls indicated that the ombudsman's office (Procuraduría para la Defensa de los Derechos Humanos) was the public institution most trusted by Salvadoran citizens. Since then, the office has deteriorated and, as pointed out in my last report, languished for long periods without adequate leadership. With a solid mandate from the Legislative Assembly, the new ombudsman should be in a position to extend protection throughout the country and to shape the office and its agenda to play its envisioned role. Both UNDP and the Office of the United Nations High Commissioner for Human Rights are planning programmes of support to rebuild this indispensable institution.

10. The growth of the ombudsman's office in Nicaragua (Oficina del Defensor de los Derechos

Humanos), created in 1999 is also a source of optimism. Three special ombudsmen have been appointed for women, indigenous peoples and youth, respectively. During 2000 and 2001, the office has made noteworthy contributions relating to democratic institutions, electoral processes and the right to personal security. Given the 10 per cent rise in criminality in 1999 and 2000, personal safety is of particular concern to Nicaraguans. UNDP and the Office of the United Nations High Commissioner for Human Rights are working with the police on developing a strategic human rights plan for the force, which has presented its own plan for institutional development.

11. In its recent human rights reports, MINUGUA has drawn attention to the worrisome deterioration in human rights compliance and public security, as well as the persistence of impunity in Guatemala. There has been an increase in crime, including armed assault and incidents of lynching. There is also a growing incidence of attacks and intimidation against judicial officials, human rights activists and journalists. Regrettably, cases are seldom adequately investigated by the authorities, a factor contributing to impunity for the perpetrators. During his May 2001 visit to Guatemala, the Special Rapporteur on the independence of judges and lawyers, Param Kumaraswamy, also lamented the persistence of threats against judicial authorities and impunity for human rights violators. With funding from Norway and Sweden, UNDP is supporting the participation of civil society organizations in initiatives related to human rights and national reconciliation and also promoting their involvement in fulfilling recommendations of the Commission for Historical Clarification, Guatemala's "truth commission", which delivered its report in 1999 (see A/53/928, annex).

12. In November 2000, El Salvador's Attorney-General (Fiscal General) made a series of very grave public denunciations of irregularities within his own institution. Since then, the Attorney-General has sought to rid the institution of those deemed inappropriate to serve, in a process approved by the Legislative Assembly. It is hoped that these efforts will be carried out within a framework of due process to insure that it serves to ultimately strengthen the institution.

13. The wave of violence that has hit El Salvador in the post-war period has provoked assertions that the new criminal codes are too soft on criminals and

should be made tougher. While there is room for improvement, the penal reforms constitute an important advance in human rights protection and the rule of law. Steps to roll back these improvements should be viewed with prudence. The introduction of oral arguments into some cases has made trials more expeditious and brought "users" of the justice system in direct contact with judges. In addition, the new criminal code has served to reduce the number of unsentenced prisoners. Extensive training of judges and the dismissal of those found ineffective or to have engaged in improprieties has increased the professionalism of the judiciary.

14. The National Civil Police (PNC) forces grew out of the peace processes in both Guatemala and El Salvador, and represent a significant achievement by placing public security functions in civilian hands. In Guatemala, the PNC has surpassed the 20,000 agents projected in the peace accords and now has a presence in most municipalities around the country. Yet the force still demonstrates serious shortcomings in deployment which prevent it from properly fulfilling its tasks. These limitations are cited to justify the participation of the armed forces in public security functions. The use of the military in this fashion is detrimental to efforts to demilitarize public security and constitutes a serious setback to both civilian rule and the new police force. Likewise, it is to be hoped that the 200 joint military-police patrol units deployed in the Salvadoran countryside do not become a semi-permanent strategy to increase police manpower and firepower.

15. El Salvador's PNC is officially subject to oversight by both the Human Rights Ombudsman's Office and the Police Inspectorate General, and has two additional internal mechanisms of control, one that investigates public complaints against the police, and another unit that investigates agents' involvement in crimes. Unfortunately, all these monitoring schemes have proved insufficient. In the initial years after the peace accords, the PNC earned respect and confidence from the public, hard-earned capital that has, unfortunately, been jeopardized over the last four years as accusations of human rights violations and infiltration by criminal groups have sharply increased. By June 2000, the situation had reached such crisis proportions with accumulated cases, including evidence of police involvement in kidnapping, that the PNC was obliged to request a special legislative decree allowing extraordinary measures to expedite the

investigation and dismissal of wrongdoers. It is paramount that the PNC develop its own internal mechanisms of oversight and accountability if it is ever to earn the trust and respect of the Salvadoran citizens it was created to protect.

### **Regional trade and economic cooperation**

16. According to the Economic Commission for Latin America and the Caribbean (ECLAC), the gross domestic product (GDP) for the Central American region, excluding Belize and Panama, grew by 3.2 per cent in 2000 compared with 4.2 per cent growth in 1999. Consequently, the per capita GDP increased by only 0.7 per cent. This trend was strongly influenced by the downturn of the Costa Rican economy. The GDP of the four other countries — El Salvador, Guatemala, Honduras and Nicaragua — in fact increased 3.6 per cent in 2000, having grown by 3.2 per cent in 1999. The GDP of Panama grew by 2.8 per cent in 2000, down from 3.2 per cent growth in 1999 and from more than 4 per cent in the two preceding years; the GDP per capita rose only 1.3 per cent in 2000. In Belize, the GDP grew by 10.1 per cent in 2000, following a 5.9 per cent rise in 1999; the rate of GDP per capita was 7.7 per cent.

17. In its human development index, UNDP places Central American countries in the category of nations with “medium human development”, except Costa Rica, which is placed among the highest developed countries. The human development index is calculated on the basis of four indicators: life expectancy at birth; adult literacy; level of schooling; and GDP per capita. The indices of the Central American countries have improved steadily within the last 25 years, and their rankings compared to the rest of the world have not significantly changed within this period. The unemployment rate in the region has fallen 1 to 2 per cent in the five years preceding 2000, although in Nicaragua it has dropped more dramatically, according to ECLAC.

18. The region’s financial situation has continued to stabilize and structural reforms have been implemented, yet Central America is still burdened by heavy external debt. In December 2000, the International Monetary Fund and the World Bank approved a debt relief package for Nicaragua under the Highly Indebted Poor Countries initiative. Previously, Honduras had been granted a similar package. Final award of the package is contingent on the satisfactory

implementation of a fully participatory poverty reduction strategy, as well as the participation of other creditors in the operation. The World Bank estimates that Nicaragua will complete all the necessary steps by the end of 2002. It is hoped that creditors will support these Highly Indebted Poor Countries initiatives in the region and that regional Governments will strive to enact the necessary reforms to ensure sustainable economic growth on the basis of transparency and accountability. In that context, it should be emphasized that debt relief is not a substitute for development assistance, but rather a complementary tool.

19. Strengthening regional economic cooperation among the countries continues to be an important challenge for development in the region. In March 2001, Mexico launched the Puebla-Panama Plan, a comprehensive initiative involving nine states in southern Mexico and all the Central American countries. The plan envisions, among other areas, new investment in infrastructure, human development, disaster prevention and environmental protection. Heads of States from all the countries involved met in San Salvador in June 2001 and decided to implement the plan.

20. Other regional economic initiatives have been discussed, including a comprehensive regional free trade agreement; expanding the customs union of El Salvador, Honduras and Guatemala to the rest of the region; establishing a mechanism for the resolution of trade disputes; and joint negotiation of new free trade agreements. The Central American Common Market, established in 1960, continues to be central in these discussions and for advancing regional trade in general. Governments are urged to continue these constructive efforts to enhance regional economic cooperation in order to improve the financial outlook for the region as a whole.

21. At the Third Summit of the Americas, held in Québec City in April 2001, Central American Heads of State joined their counterparts from every country in the western hemisphere, with the exception of Cuba. It was agreed, inter alia, that negotiations on a Free Trade Agreement of the Americas should be concluded no later than January 2005, and that the Agreement should enter into force no later than the following December. Furthermore, it was agreed that the Agreement should be balanced, comprehensive and consistent with World Trade Organization rules. Emerging from the Summit was a series of decisions to be implemented by the

Organization of American States, several of which were related to trade.

### **Regional and extraregional institution-building**

22. Greater regional integration would further the consolidation of peace and development in Central America. In March 2001, the Regional Consultative Group of Central America met in Spain to follow up on a similar meeting held in Sweden in 1999. On that occasion, Central American Governments, international institutions and donor Governments signed the Stockholm Declaration, which called for joint efforts to reconstruct and transform Central America in the aftermath of hurricane Mitch (October 1998). The “Madrid proposal”, a strategic framework for the transformation and modernization of Central America in the twenty-first century, was submitted by the Central American Governments, after extensive consultation with relevant partners. The proposal aims to enhance development and improve living conditions through sustained economic growth and a more even distribution of its fruits. The areas of focus are: reduction of social, economic and environmental vulnerabilities; transformation of the productive sector; sustainable management of natural resources; and increased civil society participation in development. In practice, the proposal is to be implemented through initiatives to reform and harmonize the region’s legislation and institutions, as well as specific development projects. I call upon the donor community to support the “Madrid proposal”, and upon the Central American Governments to take the necessary steps to implement the plan.

23. The secretariat of the Central American Integration System continues to promote regional coordination, according to the decisions of the summits of Central American presidents, as well as the decisions of the Council of Ministers of External Relations. The April 2001 Québec Summit had an extensive agenda, which included political and economic issues concerning the Americas beyond the Free Trade Agreement of the Americas, and a wide-ranging action plan was adopted. At its meeting in San José in June 2001, the General Assembly of the Organization of American States (OAS) debated and considered a series of proposed reforms to the inter-American human rights system. These will be considered and refined in coming years, a healthy

exercise that should serve to strengthen human rights protection in the region.

24. For the second time, Central American Heads of State were invited to attend the Rio Group Summit, held in August 2001 in Santiago. Among other issues, the agenda included the present economic crisis, particularly in Argentina, and contemporary economic issues, such as the widening technology gap between the developed and developing world.

### **III. Natural disasters and environmental problems**

25. Over the past five years, a series of natural disasters has demonstrated the region’s natural fragility. In 1997, El Salvador, Honduras and Nicaragua were hit by the meteorological phenomenon known as “El Niño”, which caused drought in some areas and flooding in others. The following year, hurricane Mitch ravaged the region, causing tremendous damage and suffering. Early in 2001, El Salvador was ravaged by a series of earthquakes. The paucity of rain since June 2001 has severely affected the whole region as large parts of the harvest have been damaged or destroyed, causing hunger and disastrous conditions, especially in Honduras and Nicaragua. According to the World Food Programme (WFP), the drought had affected 1.5 million people by mid-August.

26. At the same time, Central America has, simultaneously, one of the world’s most varied and unique ecological environments. This biodiversity is threatened by human exploitation and natural disasters, with irreparable damage to both nature and humans.

27. A common feature of both natural disasters and environmental problems is that the poorest, particularly in rural areas, are the most vulnerable to, and those who suffer most from, the damage caused. The poorest are not only more directly and physically affected, but natural disasters and environmental problems also hamper their access to natural resources, such as water, soil and food.

28. Many efforts at different levels have been undertaken to reduce the region’s social and ecological vulnerability. In the Stockholm Declaration of 1999, the Central American Governments agreed that the overriding goal of the reconstruction and

transformation of the region had to be the reduction of ecological vulnerability. At the Summit of the Americas in April 2001 and at the Regional Consultative Group meeting held in Madrid in March 2001, issues relating to natural disasters and environmental problems also had a high priority. Furthermore, they constitute an integral part of several regional initiatives under the auspices of OAS, the Central American Integration System, the Alliance for the Sustainable Development of Central America and the Puebla-Panama Plan. One of the latest regional comprehensive endeavours is “the Meso-American Biological Corridor”. With this, the United Nations, in conjunction with the Central American Commission on Environment and several others, aims to create a system of corridors to protect biodiversity and mitigate the effects of climate change, as well as promote long-term sustainable development of the communities living in and around the corridor.

#### **IV. Organization of American States**

29. Costa Rica hosted the thirty-first regular session of the General Assembly of OAS in San José from 3 to 5 June 2001. On that occasion, announcements were made about important new contributions to the permanent fund for the peaceful settlement of territorial disputes among member States, established at the OAS Windsor General Assembly in June 2000.

30. Monies from this fund have allowed OAS to play a leading role in reducing tensions and seeking political solutions to the region’s border controversies. The fund has received donations from a range of countries, including some outside the region. This strong commitment testifies to a recognition that for the region to move forward and stabilize, these long-standing controversies must be resolved. This fund has supported OAS work on both the Honduras-Nicaragua and the Belize-Guatemala cases.

##### **Bilateral issues: border disputes**

31. Since my last report, border disagreements continue to create tension as well as diplomatic clashes in some parts of the region. Discord between Honduras and Nicaragua continues over claims to part of the Caribbean Sea. A low point was reached in August 2001 when the countries accused each other of concentrating troops on their common border. Belize and Guatemala’s border dispute, stemming from

Guatemala’s disavowal of an 1859 treaty establishing the borders, has evolved positively in the past year, as a result of firm political will and OAS mediation efforts. Nevertheless, these disagreements remain obstacles to lasting peace in the region.

32. Although there have been some setbacks on the Honduras-Nicaragua issue, both Governments have continued to seek a peaceful resolution through negotiations under the auspices of OAS. In July 2001, an OAS Civilian Verification Mission conducted the first of three on-site visits to Honduras and Nicaragua, pursuant to an agreement to monitor compliance with measures designed to promote confidence between the two countries.

33. In November 2000, Belizean and Guatemalan officials endorsed an OAS-sponsored confidence-building agreement, calling for the two countries to cooperate and prevent incidents, as well as to stop evictions of people living along the disputed border. Following the discovery of new settlements in early 2001, an emergency meeting was held in Miami, Florida, United States, which resulted in the drawing up of a plan of action for implementing the OAS confidence-building agreement, namely, methods for determining the location of certain settlements and removing illegal ones. In subsequent meetings, discussions were held on time frames and procedures whereby each country would justify its territorial claim. At a meeting in April 2001, the parties agreed to seek the support of the International Organization for Migration (IOM) to begin a census of settlers in the “adjacency zone”. Finally, on 18 July 2001, facilitators named by the two countries presented a series of recommendations to extend the facilitation process for another year, until 31 August 2002.

#### **V. United Nations**

##### **United Nations in El Salvador**

34. As reported to the General Assembly (A/53/315), after the final closing of the Support Unit of the Special Envoy of the Secretary-General in El Salvador in June 1998, UNDP was assigned to monitor pending aspects of the peace accords, and to explore ways of supporting government efforts to mainstream some of these issues into the broader development agenda. To this end, UNDP and the Department of Political Affairs have developed a joint mechanism to provide

continuing follow-up. This process has been a fruitful one, although in some cases progress has been slow, given that, in order to be fully realized, these issues must be embraced at both the national and municipal level.

35. Implementation of the remaining provisions has taken place in a difficult economic climate, making equitable development policies all the more necessary. Beginning in 1995, the economy began to experience an unexpected slowdown. Since 2000, the economy has initiated a modest recovery. However, with an average annual growth rate of less than 3 per cent over the last five years, and with the population growing more than 2 per cent annually, the possibilities appear limited for continuing to reduce poverty and raise human development levels.

36. Although poverty has diminished over the last decade, according to the UNDP *Human Development Report 2001*, in El Salvador, 47.5 per cent of the population still lives below the poverty line, 27.4 per cent in relative poverty and 20.1 per cent in extreme poverty. The rural-urban gap has widened; for each poor household in an urban area in 1999, there were 1.7 in the countryside. This gap is even wider for those living in absolute poverty. This situation worsened after two earthquakes struck the country early in 2001. Poverty increased by 3.7 percentage points, from 47.5 per cent to 51.2 per cent, although the impact was even higher in some departments.

37. UNDP monitored the land transfer programme in its final administrative phase, which included issuing titles and documentation to programme beneficiaries. The parties have indicated that they consider the programme to be concluded. It is important to recall, however, the repeated concerns raised in my reports regarding the need to integrate these properties and environs into broader rural development schemes in order to ensure sustainability and avoid recreating pockets of rural poverty.

38. The programme of rural human settlements was monitored throughout 1998 and 1999 by a tripartite round table that included the Government, the Frente Farabundo Martí para la Liberación Nacional and UNDP. During this period there were important advances, despite pending cases of some properties the owners of which remain unwilling to sell and some families who do not wish to be relocated.

39. In early 2000 a working group of the Agrarian Reform Institute, the Democratic Peasants Association and UNDP issued its findings on the status of 51 properties which exceeded the constitutional limit of 245 hectares. This group also established mechanisms for the transfer and assignment of the holdings identified in excess of the legal limit. While agreement was reached on the final number of properties and the process to be followed, the actual transfer and assignment processes, through established channels, will require more time to ensure full implementation.

40. The Fund for the Wounded and War-Disabled has been the most complex and contentious of the remaining items on the peace accords agenda. One central issue has been the difficulty in definitively establishing the total number of potential beneficiaries. As stated in my last report (A/55/465), the parties agreed in September 2000 to a proposed methodology that would help to determine the number of worthy new beneficiaries to be incorporated, thereby getting the programme back on track. Now, one year later, the parties are called upon again to redouble their efforts so that this remaining outstanding area of the accords may also be brought to satisfactory completion before January 2002.

### **United Nations in Guatemala**

41. December 2000 marked four years since the Agreement on a firm and lasting peace was signed in Guatemala, and six years since the establishment of the United Nations Verification Mission in Guatemala (MINUGUA). According to a timetable fixed in 1996, implementation of the major provisions of the peace agreements and international verification of the process was slated to end last December. As reiterated in my sixth verification report to the General Assembly (A/55/793-S/2001/139), which covered the period from 1 July 2000 to 31 March 2001, implementation of the peace agreements has slowed since 1998. Furthermore, many Guatemalans feel that the peace process has had little discernible impact on their lives. The fact that many do not feel they have benefited from the accords threatens the sustainability and strength of the peace process. The lack of meaningful progress over the past year has been especially disappointing in the light of the firm commitment made by President Alfonso Portillo when he took office in January 2000. On that occasion, he embraced the accords as an obligation of

the State and stated his intention to promote social policies based on the agreements.

42. Yet as the December 2000 deadline approached, it was clear that a significant number of commitments were pending, leading to a rescheduling of those commitments in a new timetable covering the period 2000-2004. This new timetable was presented publicly by the Commission to Follow up the Implementation of the Peace Agreements on 12 December 2000. Professing their renewed commitment to the peace process, the President of Guatemala, the President of Congress and the President of the Supreme Court signed as honorary witnesses. On that occasion, President Portillo stated that strict compliance with the new timetable, through the combined efforts of the State and civil society, would give considerable impetus to Guatemala's democratic development.

43. One of the most troubling episodes relates to the Fiscal Pact, which was negotiated with some difficulty during 2000, but not immediately implemented on adoption. This delay led to a loss of momentum and allowed for opposition to build to some fiscal reforms that are long overdue in Guatemala. In an effort to regain lost ground, the Government drafted its own fiscal package and secured its passage by Congress in July 2001, overcoming significant resistance. This fiscal package includes greater sanctions against tax evasion, increased taxation on certain goods and services and a controversial hike in the value added tax (IVA) from 10 to 12 per cent. These tax increases should bring about an overall increase in the tax-to-GDP ratio from the current 9.7 per cent to 11 per cent in 2002, although this would still fall short of the 12 per cent target. In order to finance initiatives to foster social and economic development, the agreements oblige the Government to enact such fiscal reform. It is to be hoped that Guatemalan authorities will now move quickly to implement the remaining elements of the original Fiscal Pact to ensure compliance with the peace agenda's commitments in this area.

44. General dissatisfaction with the peace process, increasing public insecurity and the economic crisis have provoked escalating social and political tension. This discontent translated into support for a national strike called by the private sector on 1 August 2001 — coinciding with other demonstrations — to protest the Government's controversial fiscal package. Some of the protests grew violent, prompting the Government to declare a state of siege in the department of

Totonicapán and deploy military units in the area. Concerned about the faltering peace process and the difficult situation, I sent my Chef de Cabinet, Iqbal Riza, to Guatemala in July. After wide consultations, he proposed launching a dialogue to help diminish political polarization and permit progress in implementation of the peace agenda. Although endorsed by Congress, prevailing conditions did not permit initiation of the dialogue. However, in the past few months, leading members of the academic, religious and political communities have renewed the initiative. I strongly encourage these efforts to bring about a dialogue that will contribute to breaking the current impasse.

45. For peace-building to be successful, special attention must be directed to demobilized combatants and displaced populations, but to date compliance with the agreements on resettlement and incorporation into society — specifically programmes for sustainable integrated development — has been insufficient. While some advances have been made with land and housing projects, these communities would also benefit from the elaboration by the State of an overall policy on integrated rural development. It is to be hoped that the long-anticipated reform to the Electoral and Political Parties Law will incorporate all the relevant commitments of the peace agreements, and will soon be adopted by Congress. This Law should encourage more citizens to vote, especially in rural areas where voters must often travel great distances to polling stations.

46. The implementation of the commitments made to the indigenous peoples is also inadequate. Rectification of the historical discrimination and marginalization suffered by the indigenous peoples is fundamental to the consolidation of a democratic, participatory, just and multicultural State. The indigenous agreement recognizes both individual rights and collective cultural rights, and promotes the full participation of indigenous peoples at all levels of decision-making in Guatemalan society. To date, insufficient will has been demonstrated to make these commitments a reality.

47. The peace agreements emphasize that justice sector reform is a fundamental element in modernization of the State. To that end, the Commission for Monitoring and Supporting the Strengthening of the Justice System, established in January 2000, has become an important forum for dialogue between civil society and State institutions.



Also to be commended is the Commission's extensive participatory evaluation of the justice system that produced useful recommendations. However, overall, the sector shows little sign of significant structural improvement.

48. In June 2001, a verdict was finally handed down in connection with the March 1998 killing of Monsignor Juan José Gerardi Conedera two days after he presented a groundbreaking report on human rights violations committed during the 36-year armed conflict in Guatemala. The investigation and trial have been considered a test of the political will and capacity of Guatemalan judicial authorities to ensure due process. MINUGUA has closely followed this high-profile murder case since the evening when Monsignor Gerardi was fatally attacked in his garage. As previously reported, the Mission's monitoring has revealed persistent, significant weaknesses in the judicial system and a lack of will on the part of certain authorities to further the cause of justice. Some justice sector professionals and witnesses linked to the case have been attacked and threatened. In the light of these difficulties, it is important to note that the verdict and sentencing in the Gerardi case were seen, both nationally and internationally, as a milestone in the struggle against impunity and in establishing a society grounded in the rule of law.

49. Guatemala has made significant advances by signing or ratifying a number of important international human rights instruments. The leadership that has been demonstrated by the Presidential Human Rights Commission (COPREDEH) in developing human rights policy and promoting ratification of these legal instruments is highly commendable. These initiatives by the Commission should be continued and strengthened.

50. The coordinated peace-building efforts of MINUGUA and the rest of the United Nations system demonstrate the Organization's ongoing commitment to full implementation of the peace accords. In the light of what remains to be done, the parties had requested that the United Nations continue to support the peace process until 2003 (A/55/389). The General Assembly, in its resolution 55/177 of 19 December 2000, authorized the renewal of the mandate of MINUGUA until 31 December 2001 and decided to reconsider the peace-building phase at its fifty-sixth session. In November 2000, MINUGUA embarked on a phased withdrawal, projected to conclude in 2003. The

Mission reconfigured its presence around the country, reducing the staff in its Guatemala City headquarters and the regional offices by 45 per cent.

51. In the months leading up to the Consultative Group meeting planned for November 2001, I call upon the Government to affirm its own commitment to the peace agenda by meeting its obligations. The November gathering will also offer the international community the opportunity to renew its support for peace-building in Guatemala.

### **United Nations operational activities**

52. The United Nations system has been involved in a wide range of activities in each Central American country, while cooperating closely with other donors. Special emphasis has been given to poverty alleviation. UNDP has actively supported the inclusion of both Honduras and Nicaragua in the Highly Indebted Poor Countries initiative. Furthermore, substantial support was provided in preparation and elaboration of poverty reduction strategies for these countries in partnership with ECLAC, the World Bank and the Inter-American Development Bank.

53. A number of activities have been initiated to strengthen the capacity of civil society, such as formulation of proposals within the National Council of Economic and Social Planning in Nicaragua by UNDP with support from Denmark. Significant assistance has been earmarked to improve the living conditions of rural populations in both Nicaragua and Honduras.

54. Several agencies, in particular WFP, have contributed with important support and vital supplies to combat the effects of the severe drought ravaging Central America this year. Improving the access to health care, in particular for those affected by HIV/AIDS, has had high priority at both the regional and national levels, and the World Health Organization, the United Nations Children's Fund, WFP and the United Nations Population Fund have all launched numerous initiatives. Enhancement of food security has likewise been a significant focus of the United Nations system.

55. On migration issues, IOM and others have developed a series of activities in Costa Rica, Guatemala, Honduras and Nicaragua to facilitate the social and economic integration of migrant populations. For example, in Costa Rica, IOM has

provided technical assistance to the Government in elaborating an amnesty law for immigrants and the implementation of a public information campaign. Furthermore, UNDP has launched a bi-national initiative that seeks to promote closer cooperation between civil societies in Costa Rica and Nicaragua.

## VI. Observations

56. As important as ensuring the foundations for good governance is the need to improve other human development indicators and combat the poverty that fuelled the social and political tensions that ignited armed conflict. Such a national strategy is best situated within a framework of consensus-building, effective participation and political pluralism. It is from the constant practice and interaction of these factors that democratic political culture is built. I am confident that the peoples of Central America will pursue this goal with renewed energy.

57. The new civilian-led police forces are a significant step forward in El Salvador and Guatemala. Yet there are serious signs of diversion from the democratic, rights-respecting model used in their design. Both must buttress internal oversight mechanisms and halt joint police-military patrols. The continuing involvement of the armed forces in public security functions could lead Central America into the cycle of violence and repression that led so tragically to war in the past. The elaboration of a coherent national public security strategy would ensure both effective coordination between different agencies and optimal use of scarce resources.

58. It is commendable that national ombudsmen have been appointed throughout the region. These offices have the potential to serve as important institutional guarantors to human rights protection and, in some instances, to help ensure that the State provides appropriate services and protection to the citizenry. I call upon regional leaders to allocate adequate resources to the ombudsmen, and to encourage them in their watchdog function. In addition, the reform of justice sector institutions must be prioritized throughout the isthmus, if Central America is to fully embrace the rule of law by ensuring due process.

59. All involved actors — Governments, civil society and the donor community — are urged to do their utmost to reduce the damaging effects of natural

disasters. Although natural disasters are often not preventable, there is a need for effective policies to reduce the damage and protect the most vulnerable groups, once they do occur. In El Salvador, large numbers of people left homeless or jobless by the earthquakes have not been given adequate assistance, and I call upon the authorities to attend to the needs of this population as a matter of urgency. I also urge enhanced efforts to promote sustainable environmental development throughout the whole region and to incorporate environmental concerns in all relevant activities.

60. I commend the Central American Governments, as well as the Organization of American States, for their active participation in seeking peaceful settlements to their differences. The peaceful resolution of border disagreements is crucial for regional integration, national development and lasting peace on the isthmus.

61. Although elections alone do not make a democracy, I would like to reiterate the importance of independent electoral structures for the further consolidation of democracy in the region. The fact that, for over a decade, citizens of all of the countries of the isthmus have been able to exercise their choice at the ballot box represents an important development for Central America. Nevertheless, effective reforms are required so that electoral structures can be considered fully transparent, legitimate and non-partisan. Partisan electoral bodies can only serve to impede the democratization process and create disillusionment. One indication of that is the rising level of abstentionism, perhaps owing to increased discontent and lack of confidence in the region's political institutions. Initiatives on the part of Governments to broaden participation among the populace, as well as increased accountability and transparency, are still needed.

62. While the El Salvador peace accords are no longer the yardstick by which democracy-building is measured, as in the past, it is important that they be recognized as an historical watershed, and their original political and moral intent safeguarded as national patrimony. Even as the parties to the accords take steps to complete what remains to be implemented in coming months, the committed protection and strengthening of the democratic institutions the accords created is a duty for all Salvadoran citizens. All national actors must be vigilant to ensure that these

institutions are not subjected to influences that distort their original mandate, diminish their importance or allow them to fall victim to political interests. There have been some disquieting tendencies in recent years with respect to some of these institutions, and I urge the Salvadoran people to use the same commitment and enterprise that brought them to the peace table to protect these hard-won gains.

63. Guatemala's civil war was the longest in the region and, as such, the peace and progress that has been achieved is to be commended. The country's peace accords are far-reaching and, if fully implemented, have the potential to transform Guatemalan society in several key areas. The responsibility to translate the accords' provisions into concrete policy must be shared by all Guatemalans and, in particular, the parties to the agreement.

64. Today, Central America has been transformed by the strides taken in the last decade. While armed conflict and the consistent violation of human rights have ended, the region has a long way to go before the poverty and structural inequalities which gave rise to conflict are overcome. I would like to reiterate my solidarity with and respect for the accomplishments of the peoples of the region, while issuing a call for renewed commitment to tackle the root causes of conflict. The United Nations system stands ready to contribute in that endeavour.

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