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Forty-second session

GENERAL ASSEMBLY

PROVISIONAL VERBATIM RECORD OF THE ONE HUNDRED AND TENTH MEETING

Held at Headquarters, New York,
on Wednesday, 11 May 1988, at 3.30 p.m.

President: Mr. FLORIN (German Democratic Republic)

- Resumption of the forty-second session
- Programme of work
- The situation in Central America: threats to international peace and security and peace initiatives [34] (continued)
- Special programmes of economic assistance [86] (continued)

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The meeting was called to order at 3.50 p.m.

RESUMPTION OF THE FORTY-SECOND SESSION

The PRESIDENT (interpretation from Russian): I declare the forty-second session of the General Assembly resumed.

The Assembly is being reconvened to consider agenda items 86, "Special programmes of economic assistance" and 34, "The situation in Central America: threats to international peace and security and peace initiatives", pursuant to General Assembly resolutions 42/204 of 11 December 1987 and 42/1 of 7 October 1987, as well as decision 42/460 of 21 December 1987 retaining item 34 on the agenda of this session.

In connection with agenda item 86, on special programmes of economic assistance, I would point out that by paragraph 3 of resolution 42/204 the Assembly requested the Secretary-General to formulate a special plan of co-operation for Central America to be submitted, in view of the immediate needs, no later than 30 April 1988 for consideration by the General Assembly at its current session.

PROGRAMME OF WORK

The PRESIDENT (interpretation from Russian): Before turning to the substantive items before us, I wish to draw the attention of members to the Assembly's programme of work.

Following consultations, it is my intention to devote three meetings to the consideration of agenda items 86 and 34 - that is, this meeting and the meetings tomorrow morning and afternoon.

Furthermore I should like to inform members that I have received a letter dated 10 May 1988 from the Permanent Representative of Somalia which reads as follows:

"Bearing in mind that the General Assembly is still seized of item 136, 'Report of the Committee on Relations with the Host Country: report of the Secretary-General', and in the light of the advisory opinion of 26 April 1988

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of the International Court of Justice on the applicability of the obligation to arbitrate under section 21 of the United Nations Headquarters Agreement of 26 June 1947, I would like, in my capacity as Chairman of the Arab Group for this month, to request that the Assembly resume its consideration of agenda item 136 at the resumed session scheduled to start tomorrow, 11 May 1988."

Upon receipt of that letter I informed the Chairmen of the regional groups of that request. If the Assembly now concurs, I should like to propose to the Assembly that after completion of our consideration of items 86 and 34 we immediately resume consideration of item 136 as requested in the letter of the Permanent Representative of Somalia. If I hear no objection, it will be so decided.

It was so decided.

AGENDA ITEMS 34 AND 86 (continued)

THE SITUATION IN CENTRAL AMERICA: THREATS TO INTERNATIONAL PEACE AND SECURITY AND PEACE INITIATIVES

SPECIAL PROGRAMMES OF ECONOMIC ASSISTANCE

The PRESIDENT (interpretation from Russian): At this session the Assembly has adopted resolution 42/204 of 11 December 1987 under item 86 and resolution 42/1 of 7 October 1987 under item 34. In addition the Assembly has before it a note by the Secretary-General issued as document A/42/949.

I should like to inform members that on 18 April 1988 I received a letter from the Permanent Representatives of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua requesting the resumption of the forty-second session in order further to consider agenda items 86 and 34. Following consultations with the Chairmen of the regional groups, who conveyed to me the concurrence of Member States, I decided to

(The President)

resume the forty-second session of the General Assembly today. Furthermore, in the light of consultations held prior to this resumption, it is my understanding that the Assembly wishes to proceed with the consideration of these items in plenary meeting. I hear no objection.

It was so decided.

The PRESIDENT (interpretation from Russian): In accordance with resolutions 42/1 and 42/204 adopted by the General Assembly at its forty-second session, this resumed session of the Assembly now has before it for consideration and adoption the special plan of economic co-operation for Central America. This special plan, for the timely preparation of which our thanks go to the Secretary-General, at the same time expresses the support of the international community for the Central American peace efforts. Today's meeting of the General Assembly offers another opportunity to reaffirm that the countries of Central America deserve every possible support in their efforts to bring about a peaceful settlement of the conflict situation and economic recovery. At the same time, we must welcome the fact that the five countries of the region have taken steps to promote bilateral co-operation as well as co-operation throughout the region. It is my fervent wish that the special plan of economic co-operation for Central America and the draft resolution on the subject now before us may contribute towards strengthening regional security and stability, towards implementing the right to self-determination, and international peace.

I now call on the Secretary-General of the United Nations.

The SECRETARY-GENERAL (interpretation from Spanish): In accordance with the mandate given by the General Assembly, in resolutions 42/1 and 42/204 of October and November 1987, I am pleased to submit for your consideration the "Special Plan of Economic Co-operation for Central America", which is the result of joint efforts by the United Nations and the Governments of the region.

As you are aware, the General Assembly requested me, in close co-operation with the United Nations Development Programme, to send a technical mission to the Central American countries for the purpose of determining, in consultation with each of the Governments, the Economic Commission for Latin America and the Caribbean and other competent entities, the economic and social priorities of the

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countries of the region, and to formulate, on those bases, a special plan of assistance for Central America.

I accordingly appointed Mr. Augusto Ramirez-Ocampo, UNDP Regional Director for Latin America and the Caribbean, as co-ordinator of the Organization's activities, and requested him, together with Mr. Gert Rosenthal, Executive Secretary of ECLAC, to implement the mandates of the General Assembly in consultation with all the parties concerned. I made a special point of requesting all agencies of the United Nations system to collaborate in the drafting of the Plan. I am very pleased to inform you that the input of the various agencies made an important contribution to that work.

The process of consulting the Governments of the region was carried out rigorously and at the highest level. The subregional integration agencies and bodies were likewise consulted, as were other international organizations within and outside the region that do not form part of the United Nations system.

I wish to emphasize the interest taken by the Heads of Government themselves in the process of formulating the Special Plan, which is reflected in the fact that they appointed their Vice-Presidents to take charge of co-ordinating the work with the United Nations. I am highly gratified that the Vice-Presidents have been present at this resumed session.

The Assembly will recall that the adoption of resolution 42/1 was prompted by the signing, on 7 August 1987 - exactly two months before - of the "Procedure for the establishment of a firm and lasting peace in Central America" by the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. The Procedure was the outcome of an unprecedented regional effort, to which the Contadora Group and its Support Group made a decisive contribution. In that resolution, the Assembly expressed its firmest support for the Agreement and urged the international

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community to increase its economic and financial assistance. The document now before the Assembly reflects the context in which the General Assembly resolutions were adopted, namely the desire to contribute to the attainment of a firm and lasting peace in Central America. The Plan therefore concentrates on those economic and social aspects which are closely linked to the preservation and consolidation of peace, and this is what makes it "special". Furthermore, it is intended that the international co-operation obtained should be additional to that already being mobilized by the countries concerned, and should be furnished on more favourable terms. Lastly, the Plan constitutes a major effort to keep the process orderly, in that it seeks to ensure that its actions and programmes are consistent with the priorities identified by the Governments themselves and supplement their national development efforts, bearing in mind the common difficulties, the community of interests and the historic aspiration to integration that exists in the subregion.

The Plan, with its projects and actions, comprises four main categories: those which meet emergency needs; others which require immediate action; those relating to economic reactivation and the strengthening of interdependence among the countries; and those relating to urgent social problems affecting the poorest sectors of the population.

The basic premises of the Plan are that the Governments bear the primary responsibility for the implementation of actions required by their own social and economic realities and that external co-operation will play a supplementary but essential role, with a view to ensuring the consolidation of peace and the development of the region.

The United Nations, with its various specialized agencies and bodies, could act as a catalyst, not only with regard to its own activities but also by convoking

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and co-ordinating the action of countries and non-governmental organizations interested in co-operating with Central America.

The conflict in Central America has created an immense flow of refugees. Population displacements have extended beyond the boundaries of the countries which signed the Esquipulas II Agreement and have penetrated other countries of the subregion, such as Belize. In order to explore ways of solving this problem, the organizations of the system are sponsoring a regional meeting which will be held soon.

The Governments and peoples of Central America have taken a first step in the direction of peace and development. In Central America social problems, particularly conditions of poverty, have become a primary cause of aggravated political tensions. Hence, as stated in the Plan, peace requires a development that will guarantee decent living conditions for the population and respect for human rights. While peace is a necessary condition for development, it is not sufficient in itself. Consequently, a prolonged and systematic effort on the part of Governments and civilian societies will be necessary. To that end, both political support and the materialization of international co-operation will be required.

The PRESIDENT (interpretation from Russian): Before calling on the next speaker, I should like to propose that the list of speakers in the debate be closed today at 5 p.m.

If I hear no objection, it will be so decided.

It was so decided.

The PRESIDENT (interpretation from Russian): I therefore request representatives wishing to participate in the debate to inscribe their names as soon as possible.

ADDRESS BY MR. ROBERTO CARPIO NICOLLE, VICE-PRESIDENT OF THE REPUBLIC OF GUATEMALA

The PRESIDENT (interpretation from Russian): The Assembly will now hear a statement by the Vice-President of the Republic of Guatemala.

Mr. Roberto Carpio Nicolle, Vice-President of the Republic of Guatemala, was escorted to the rostrum.

The PRESIDENT (interpretation from Russian): I have great pleasure in welcoming the Vice-President of the Republic of Guatemala, His Excellency Mr. Roberto Carpio Nicolle, and inviting him to address the General Assembly.

Mr. CARPIO NICOLLE (Guatemala) (interpretation from Spanish): It is a great honour for me to address the General Assembly on the occasion of its resumed forty-second session, as spokesman for the Vice-Presidents of Costa Rica, Nicaragua, El Salvador, Honduras and Guatemala who are present and who as high-level representatives are complying with the agreements reached by the Central American Presidents at Esquipulas I and II, to express on behalf of the peoples and Governments of our region our joy at the expectations aroused within Central American society by the holding of this resumed session whose task it is to discuss the item on the special plan of economic co-operation for Central America.

(Mr. Carpio Nicolle, Guatemala)

This affords me an opportunity to thank the President of the General Assembly for opening this resumed session, which is of vital importance for Central America and, unquestionably, for the world. I am sure that under his skilful leadership the debate on this special plan will be a positive one.

The peoples of Central America have pinned their hopes on the ability of this session to achieve understanding of their situation and the actual results in solving their most pressing problems.

The resumption of the forty-second session of the General Assembly increases our hopes, because we view the proposal for a plan of co-operation as something which may be the most impressive show of international solidarity that could have been vouchsafed to our region.

This meeting demonstrates that peace in Central America is a necessity and that the solidarity of the whole world is essential if we are to achieve it. The international community must be deeply concerned at any situation which undermines this peace.

We countries of the third world have felt keenly the serious effects of the world political, economic and financial crisis, which has caused unemployment, hunger, poverty, misery and despair. In Central America this crisis has triggered explosive situations which have turned the region into one of the world's worst hotbeds of tension.

At the beginning of the 1970s as a result of this phenomenon, the region began to witness the breakdown of its integration system - a situation which weakened its already fragile economy and had a tremendous impact on the very structures of our society. In recent years the situation has become worse, restricting our political space.

(Mr. Carpio Nicolle, Guatemala)

Central America reaffirms its determination to solve its problems by itself and demands recognition of its right to forge its own destiny, without foreign interference or intervention. However, we realize that we need international support in order to shoulder the huge challenges of the future while carrying the burdens of the past.

As soon as the situation in Central America began to assume the dimensions of a major conflict, the Latin American countries began to take action to halt any further escalation of the crisis and to promote a peace process in the region.

The countries of the Cantadora Group and its Support Group made it possible for a fruitful process of negotiation to be launched to solve the problems facing our region through dialogue. We thank them for intensifying their actions of solidarity which, together with the actions of other countries, will help to strengthen this negotiating process designed to achieve peace.

The Central American nations achieved independence together and have shared a rich cultural and historical past, and it is those ties, not confrontation, that have marked our history. We have a clear-cut Latin American awareness and identify ourselves with the genuine interests of the developing countries within the context of peaceful coexistence. We have made it our task thus to find a Central American solution to our common problems and to make efforts to fulfil our aspirations for comprehensive economic and social development, in a climate of political stability.

The Central American countries have moved forward towards peace and, thanks to the process initiated by the Presidents in the Esquipulas Agreements and the adoption of the "Procedure for the establishment of a firm and lasting peace in Central America". It was thus that the idea was born of setting up a parliament as a permanent forum for dialogue and political negotiation in the region.

(Mr. Carpio Nicolle, Guatemala)

The Presidents have reaffirmed that there are Central American approaches to peace and development, that our society must be democratized politically and economically and that elections to the Central American Parliament will help to strengthen the democratization process of our peoples.

(Mr. Carpio Nicolle, Guatemala)

The treaty setting up the Parliament establishes two political bodies, which are based on existing regional co-ordination structures: the meeting of Vice-Presidents as a mechanism responsible for promoting the process of economic co-operation and support for regional bodies; and the meeting of Presidents, responsible for political decision-making at the highest level.

The treaty also affirms that peace in Central America can result only from an authentic democratic, pluralistic and participatory process, which entails the promotion of social justice, respect for human rights, the sovereignty and integrity of States, the right of every nation to choose, freely and without outside interference of any kind, its own economic, political and social system, and respect for national and international law. This is in keeping with the principles enshrined in the Charter of the United Nations and with the aspirations and fundamental rights of our peoples, highlighting the close interrelationship that exists between peace and development.

We realize that we have no chance of success in Central America if we stand divided and that our desire for integration is not only an ideal but a necessity.

We welcomed the mandate contained in General Assembly resolutions 42/1, 42/110 and 42/204, which reflects the full extent of the world's awareness of the Central American problem.

Accordingly, in my present capacity, I wish to place on record before the General Assembly our gratitude to the Secretary-General of the United Nations, the co-ordinator and the members of the commission appointed to prepare the draft special plan of economic co-operation for Central America, for the efforts they devoted to it. The commission took into account the priorities which the Central American countries had set in the plan of immediate action for the region.

(Mr. Carpio Nicolle, Guatemala)

As a complement to the peace plan, the plan of immediate action pursues the goal of establishing a sustained process of economic and social development. The priorities set by the Central American Governments as a result of a joint effort, and which the plan of immediate action defines as an emergency, are the following: first, assistance to refugees and displaced and repatriated persons; secondly, food aid; thirdly, emergency fund for the economic recovery of Central America; fourthly, energy security; and, fifthly, external debt.

Taken together, these priorities require nearly \$US 1.4 billion to deal with the emergency, out of a total of \$US 4 billion needed to promote a process of reactivation and regional development.

We are fully determined to solve, immediately and as a matter of urgency, the problem of refugees and displaced and repatriated persons, which is a key factor in restoring stability and social peace. The forced migration of approximately 10 per cent of the population of Central America has permanently changed our region, seriously undermining the coexistence and development of many communities.

Food aid is a pressing need because of the serious, recurrent drought that we have been experiencing, which has drastically reduced the availability of food staples for the people of Central America. The effects of the drought have been exacerbated by political and military conflicts, which have damaged the productive base, and by the shortage of foreign exchange for purchasing the necessary inputs. Grain producers have had to use up reserves for sowing for the next harvest and the region needs to import more than a quarter of a million tons of basic grains.

With regard to the establishment of the emergency fund for the economic reactivation of Central America, it should be pointed out that the crisis affecting the Central American economies has brought about a serious decline in intraregional

(Mr. Carpio Nicolle, Guatemala)

trade and has seriously affected the capacity to pay of the Central American countries. This, together with a situation of negative balances of payments, has affected all economic activity connected with the integration process, making it urgent to set up such a fund.

Energy security is one of the most acute problems facing the region, particularly because of difficulties with the supply of oil and oil by-products and the obsolescence of generating equipment and distribution systems, which have had an adverse effect on productive activities. The drought has also drastically reduced our hydroelectric generating capacity.

External debt has called for extraordinary efforts from all of us, forcing us to devote to it resources needed for stabilization and economic reactivation plans and thus creating a tremendous obstacle to regional development. More than half our export earnings go to service this debt.

The co-operation and support which Central America needs in order to meet these priorities must be additional and supplementary to that which our countries have already received from the international community, and we need it to be extended on highly concessional, non-discriminatory and non-exclusionary terms.

With regard to the special plan, we consider it essential that it function efficiently and that we are able to participate genuinely and effectively in defining its institutional mechanisms and in its implementation, which we hope will result from direct negotiation between the Secretary-General of the United Nations and the five Central American Governments, in consultation with the donors.

Now, in this Assembly, when the problems of the people of Central America have the chance of capturing the attention of all the countries represented here, is an appropriate time to repeat to members, on behalf of Costa Rica, Nicaragua,

(Mr. Carpio Nicolle, Guatemala)

Honduras, El Salvador and Guatemala, our thanks for their support, and to urge the Assembly to adopt a resolution immediately setting in motion the special plan of economic co-operation for Central America and to undertake a world-wide campaign to give effect to the resolutions for peace adopted in this noble Organization, thus committing ourselves to eradicating from the face of the earth violence and social injustice and the threat and use of force as a means of solving problems among nations, since for mankind no future is possible without peace and there can be no peace without dialogue. Dialogue must be sincere, understanding and respectful and must never be used as a means of confrontation.

We, the Vice-Presidents of Central America, have learned to live with each other, and to take the political decisions needed to take other decisions, and today, more than ever, we remain united, fighting for our own region of Central America. This is a commitment which we Central Americans have already assumed.

The PRESIDENT: On behalf of the General Assembly, I thank the Vice-President of the Republic of Guatemala for the important statement he has just made.

Mr. Carpio Nicolle, Vice-President of the Republic of Guatemala, was escorted from the rostrum.

The PRESIDENT (interpretation from Russian): I call on the representative of Venezuela, who will present the draft resolution contained in document A/42/L.49.

Mr. AGUILAR (Venezuela) (interpretation from Spanish): Mr. President, before introducing the draft resolution to which you have just referred, I should like to make a brief statement on behalf of Venezuela. It is our privilege today to address this Assembly on an occasion which is certainly very special, that is, the consideration of the special plan of economic co-operation for Central America.

Just a few months ago, Venezuela had the opportunity to participate actively in the preparation of resolution 42/204, which was drawn up bearing in mind the need:

"to contribute effectively to peace, co-operation and respect for human rights, the implementation of genuine democratic and pluralist processes and economic and social development, which are indispensable for ensuring the well-being of the peoples of the Central American region".

The eloquent document submitted by the Secretary-General in connection with the special plan called for in that resolution makes a serious diagnosis of the economic and social ills afflicting the region of Central America and presents a series of recommendations on the different mechanisms that could lead to the recovery for which those people yearn.

My Government wishes to congratulate the Secretary-General on the promptness and sense of responsibility with which he discharged the task assigned to him by

(Mr. Aguilar, Venezuela)

the General Assembly. We wish also to express our appreciation to Mr. Ramirez-Ocampo, United Nations Development Programme Regional Director for Latin America and the Caribbean, and to Mr. Rosenthal, Executive Secretary of the Economic Commission for Latin America and the Caribbean, for the efficient work they did in preparing the principles contained in the aforementioned document.

In spite of the economic vicissitudes that have affected my own country, like the other countries of the Latin American region, Venezuela has endeavoured to implement a policy of effective co-operation on the continent.

On the basis of a conceptual approach which views co-operation as a way of deepening and strengthening ties among peoples in the economic, cultural, scientific, technical, social and political spheres, Venezuela affirms the need for, and the importance of, co-operation among the countries of the region as one of the most important elements in the global development strategy. Bearing in mind the fact that the possibilities for co-operation among countries are based on interdependence and on the complementary aspects of their economies, an attempt is being made to change the relationship of dependence of the developing countries vis-à-vis the developed countries without setting aside the valuable possibilities of receiving needed assistance from the industrialized countries.

Venezuela's international co-operation policy is based, inter alia, on the following principles: first, the imperative constitutional need for the Republic to promote freedom, democratic pluralism and respect for human rights on a permanent basis in Venezuela's international relations; secondly, the goal of co-operation designed to meet the priorities set by the countries with which Venezuela is co-ordinating its action of co-operation; and thirdly, the action of the co-operation programmes to be carried out by Venezuela, aimed at strengthening the identity and the integration processes of Latin America and the Caribbean.

(Mr. Aguilar, Venezuela)

Because of economic and social requirements, the use of the socio-economic instruments and resources in any country needs to be planned and this includes the planning of technical and scientific assistance as a primary factor in national development plans.

As part of that process, the Venezuelan Government has maintained its co-operation with Central America and has evaluated the assistance requested by the countries of the region. In this respect, the Venezuelan Government has drawn up a programme that covers a whole series of goals and technical and economic procedures whose specific objectives are the following: (a) to develop an awareness of the problems of the region and the way the region must take in the quest for its own solutions, ones that make it possible to reduce the technological and economic dependence of Central America; (b) to point out that the training and updating of human resources must be a development priority of the countries of the region; (c) to exchange experiences in connection with human resources, which presupposes an enormous potential to implement shared strategies in the region; (d) to highlight the need to study internal resources in order to plan for the introduction of technology that would enable national programmes in the different sectors of Central America to be carried out; (e) to strengthen the basis for horizontal co-operation and, on the basis of that structure, to provide a critical diagnosis so that technical and economic assistance can contribute to establishing a sound economy in the region.

(Mr. Aguilar, Venezuela)

Venezuela is aware that Central America is confronting a serious crisis with characteristics of its own. We have seen that, together with an economic depression, the area is suffering from political upheaval. Our country certainly could not disregard the problems of Central America and turn its back on them, and that is why, together with other friendly countries, we have attempted to implement the principles of our Latin American political philosophy designed to achieve social, economic and political development.

(Mr. Aguilar, Venezuela)

Consistent with that philosophy, Venezuela has done what it could to implement initiatives aimed at providing real financial resources for Central America. This action has been taken simultaneously through multilateral, regional and bilateral agencies in order to meet the priorities defined by the countries of the region themselves.

Aware of the commercial and financial difficulties of Central America, we have attempted to redirect trade flows in order to expand the presence of Central American goods on the Venezuelan market. At the same time, a large part of our trade transactions have been financed through lines of credit to cover basic imports, such as hydrocarbons and capital goods. At the same time, our country has granted loans to finance the implementation of projects in the infrastructure and production sectors. Most of these resources have been granted on concessionary terms as far as interest rates and payment deadlines are concerned.

The Central Bank of Venezuela has contributed to alleviating temporary instability in the balance of payments by transferring funds to banks in the region. Together with this bilateral action our country has attempted to strengthen the financial capacity of the Central American Bank for Economic Integration.

We have placed our trust in various multilateral organizations and implemented bilateral action over the course of many years in order to try to meet the enormous needs of the Central American peoples. It should be pointed out that in the area of trade the Fund for the Promotion of Venezuelan Exports has maintained a flow of financial resources to meet the growing need for credit in Central America. Furthermore, our country has signed agreements of partial scope with the Central American countries, of which agreements are now being evaluated in joint commissions.

(Mr. Aguilar, Venezuela)

In the social sphere, the Venezuelan Government has spared no effort to implement programmes of co-operation for the training of human resources. The Central American Bank of Economic Integration has become a relevant financial mechanism recognized by all. Therefore, we have given it, through the Venezuelan Investment Fund, our own support, and we recently signed a trust contract amounting to 145 million bolivares, and \$10 million for development projects and plans in Central America.

The implementation of the Emergency Plan requires not only the political readiness of Governments but also a thorough evaluation of our own national capacities in order to ensure the Plan's complete implementation.

Venezuela is deeply concerned at the situation of refugees and repatriates in Central America, who undoubtedly require immediate attention. The actions outlined in the Emergency Plan seem to respond to existing problems.

According to information supplied by the Action Committee in Support of the Economic and Social Development of Central America (CADESCA), a total of approximately \$200 million in food aid and agricultural production assistance has already been allocated. This alarming figure is indicative of the gravity of the problem, which required co-ordinated action on the part of the international community.

The Immediate Action Plan is closely related to the subregion's insufficient financial resources. Therefore, Venezuela is prepared to examine initiatives aimed at reversing the present trend as far as the foreign debt is concerned and the unstable balance of payments facing the countries of the subregion.

In this respect, we should like to point out that Venezuela has made available to the Central American countries considerable financial resources which, by

(Mr. Aguilar, Venezuela)

meeting the priorities set by each nation, have helped to ease the financial burden represented by the immense drain of capital abroad.

Noteworthy in that connection are our programmes of financial co-operation begun in 1974 under the Puerto Ordaz Agreement - which in 1980 became the San Jose Agreement, and financing programmes established as the "third window" for the stabilization of balance of payments, the SWAP agreements between the Central Bank of Venezuela and the Central Banks of Central America, amounting to over \$50 million, and the financial operations between the Venezuelan Investment Fund and the Central American Bank for Economic Integration.

In response to the energy needs of the subregion, Venezuela and Mexico have renewed the San Jose Agreement, whose disbursements for Venezuela alone amount to over \$500 million. Furthermore, efforts have been made to reschedule short-term payments payable under the San Jose Agreement by new deposits in the central banks that have been committed under the long-term financial programme.

The programme for economic and social development has been prepared precisely and with well-defined parameters. Venezuela is aware that the subregion is confronting the most serious economic and social crisis in its history. In reviewing the present situation, we see that many of its aspects are related to policies that have not provided the expected results because of the basic fact that the subregion has been subjected to the vicissitudes of the international order which some developed countries still wish to preserve.

Within this frame of reference, it is important to reiterate that Venezuela, in spite of the difficult circumstances with which it is confronted in its own economy, has never been - and will never be - indifferent to the fate of Central America, since our destiny is inextricably linked to that of the Central American peoples.

(Mr. Aguilar, Venezuela)

Since 1983 the Contadora Group has been contributing to the search for a pluralist democracy in the subregion by making strenuous efforts to maintain peace and understanding among its peoples.

As far as institutional aspects are concerned, undoubtedly the strengthening of the institutions for integration in Central America is an important step, as well as the strengthening of the institutional capacity of each of the countries of the subregion.

The future implementation of a Plan such as the one outlined in the document now before us requires an improvement in the operational and administrative capacity of the Central American countries in order properly to implement the contents of the programme. In connection with arrangements for the implementation and follow-up of the Plan, it is interesting to note the already existing informal forum for consultation and co-ordination among the Central American countries. In this respect, I should like to point out that during the fifth meeting of CADESCA, which was held in Caracas on 24 and 25 March, where the Central American Governments presented the special plan for food assistance, the Venezuelan delegation emphasized the importance of achieving the greatest possible co-ordination between the programme to be developed by CADESCA and the special plan to be implemented by the United Nations. In fact, we need to avoid any duplication of effort, be it human, material or financial.

(Mr. Aguilar, Venezuela)

On the occasion of the meeting of Presidents of the Group of 8, which was held in November of 1987 in Acapulco, the Acapulco Commitment to Peace, Development and Democracy was adopted. In that Commitment, the Heads of State, in referring to the Central American economic situation, stated, inter alia:

"The process of negotiation now under way should be accompanied by an improvement in the economic and social situation of the countries of the region. Therefore, we have agreed to support the implementation of an International Emergency Programme for Economic Co-operation for the Central American countries, including measures for the reconstruction of their economies."

We are convinced that only through their own efforts will it be possible for the Central American countries to achieve the results that they desire. In this respect, it is important to highlight the efforts already being made in order to determine the priority areas and to provide guidelines for the different sources of international co-operation on the basis of the procedures contained in the Esquipulas II agreement and endorsed in the Joint Declaration of the Central American Presidents at San José, Costa Rica, on 15 and 16 January 1988.

We are on the threshold of a lasting peace, which cannot be maintained without a situation of justice and well-being for people, and for that purpose the co-operation of the international community is essential.

This is my statement on behalf of Venezuela. I would like now to take this opportunity, since I do have the rostrum, to introduce briefly the draft resolution which is contained in document A/42/L.49, which has just been distributed in the hall. It is a draft which is entitled: "The situation in Central America: threats to international peace and security and peace initiatives. Special programmes of economic assistance".

(Mr. Aguilar, Venezuela)

This draft resolution, as can be seen from the list in the text, has 35 co-sponsors, and two more have joined the list. Therefore, the total number of co-sponsors thus far is 37 States from different geographical regions. The draft is really very simple. It does not require a lengthy explanation. Like all United Nations draft resolutions, it contains a preambular section and an operative section. There are nine preambular paragraphs and nine operative paragraphs. The preambular paragraphs refer, of course, to background documentation on the subject we are now considering. I do not believe I need to make too many comments on this, though I would like to draw the Assembly's attention to the last three preambular paragraphs, in which we reiterate appreciation to the Contadora Group and the Support Group for their contribution to the peace process in Central America.

The next paragraph notes with satisfaction the Joint Political Declaration and the Joint Economic Communiqué issued by the European Community and the States Party to the General Treaty on Central American Economic Integration and Panama, resulting from the Hamburg Ministerial Conference on Political Dialogue and Economic Co-operation between the European Community and its member States, the States of Central America and of the Contadora Group, held on 29 February and 1 March 1988.

Then there is another preambular paragraph that refers to compliance with the Esquipulas II agreements and the implementation of a special plan of economic co-operation for Central America. As this preambular paragraph says, this requires the political will and determination of States so that peace and development can be consolidated in the region.

As far as the operative section of the draft resolution is concerned, in the first two paragraphs, we have rightly recognized the efforts made by the

(Mr. Aguilar, Venezuela)

Secretary-General and we thank him for formulating and presenting the plan which we are now considering.

There is also a well-deserved appreciation expressed for the important support given by the United Nations Development Programme (UNDP), the Economic Commission for Latin American and the Caribbean, and the various regional integration and co-operation bodies in the preparation of the special plan. The next operative paragraph requests the Secretary-General, with the assistance of the United Nations Development Programme and in close co-ordination with the Governments of Central America, and in consultation with donors, to use his best efforts in the promotion, co-ordination, monitoring and follow-up of the special plan, and to make, as soon as possible, institutional arrangements in order to facilitate the fulfillment of the commitments of the international community.

Operative paragraph 4 emphasizes the urgent need to provide the Central American countries with financial resources on concessional and favourable terms, in addition to those they are already receiving from the international community.

Then, in operative paragraphs 5, 6 and 7, the organs, agencies and organizations of the United Nations system, and especially the specialized agencies mentioned in paragraph 6, and the international community, are all requested to co-operate fully for the implementation of this plan.

Operative paragraph 5 says specifically that, taking into account the emergency situation faced by the Central American countries, the organs, agencies and organizations of the United Nations system are requested to take immediate steps to mobilize additional financial resources and to participate actively in the implementation of the activities supporting the goals and objectives of the special plan. Then, in operative paragraph 6, there is a list of agencies that are particularly important in this field, such as the United Nations Development

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Programme, the Food and Agriculture Organization of the United Nations (FAO), the Office of the United Nations High Commissioner for Refugees, the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations Population Fund, the United Nations Industrial Development Organization, the World Bank and the International Monetary Fund. All of these agencies and organs are asked to continue and expand, to the extent possible, their assistance programmes on a priority basis, and to co-operate with the Secretary-General in the implementation of the activities supporting the goals and objectives of the special plan of economic co-operation for Central America.

Then, paragraph 7 - still along the same lines - urges the international community and international organizations to increase their technical, economic and financial co-operation with the Central American countries.

Operative paragraph 8 is extremely important. It recognizes the vital importance of the Central American economic integration process as a fundamental element for the economic and social development of the region, and it urges all governments and international organizations to contribute to strengthen this process.

Lastly, operative paragraph 9 is a purely procedural paragraph providing for a review procedure. It decided to review and evaluate the progress in the implementation of the special plan and it requests the Secretary-General to submit a report on the implementation of this draft resolution, with whatever recommendations are deemed appropriate.

I would like, on behalf of the co-sponsors, to invite all the countries represented here, in particular those countries which are in a position to offer the assistance that is requested in this draft resolution, and which is necessary

(Mr. Aguilar, Venezuela)

for the proper implementation of the plan prepared by the Secretary-General, to heed these appeals and to provide all the co-operation that is needed in order to achieve the goals of this plan: that is, the establishment of peace and security in the region, a region which has for so many years suffered the consequences of a critical social and economic as well as political situation.

Mr. DELPECH (Argentina) (interpretation from Spanish): I should like first of all to stress the importance of this resumed session of the General Assembly to obtain concerted action on the part of the United Nations and the international community on a problem of utmost importance to all Latin Americans: the critical economic situation of Central America.

The Republic of Argentina believes that, as the Contadora and Support Groups have always insisted, one of the causes of the Central American crisis is the persistence, until the recent past, of socio-economic structures that historically have not adequately responded to the just expectations of the peoples of the region, nor have there been enough changes to ensure an economic growth that can support stable democratic régimes.

We have insisted on the need to change this situation and to foster the growth of the region so that the political will of the five Central American Presidents, as expressed in Esquipulas II, can be given the support that is essential.

The very important steps that are being taken by the Central Americans in the peace process that began in Guatemala require that support from the international community.

The attainment of a definitive peace in the region and the strengthening of democratic systems in Central America are profoundly related to the reconstruction of the productive apparatus and to the dynamic growth of their economies.

This will make possible an effective participation of the Central American peoples in the democratic institutions that the five Governments of the region have determined to strengthen. We must commend and applaud the efforts of the Central Americans to resolve their differences through dialogue and negotiation. The best way of participating in those efforts is to give our support so that they can continue to make progress towards the peace they have resolved to attain.

(Mr. Delpéch, Argentina)

It is worthwhile to point out certain aspects of the diagnosis presented to us by the Secretary-General, since they illustrate the tragic situation confronting the region. The economic situation in Central America has deteriorated progressively since the end of the 1970s, affecting all areas of economic activity in the region.

As a result of the worsening of that economic crisis, there has been a sharp decline in the per capita gross national product (GNP) of the region, which is equivalent today to that of the Central American countries as a whole 20 years ago. This deterioration is in contrast with the sustained economic growth that they experienced in the decades of the 1950s and 1960s, and even at the beginning of the 1970s. Furthermore, that situation has been worsened by the effects of the armed conflict, one of whose negative aspects is the existence of over 800,000 refugees, repatriates, and displaced persons in the countries of the region.

The tragedy of the refugees and displaced persons is one of the most painful side effects of the Central American crisis. The Contadora and Support Groups have been insisting that the international community must be fully aware of the seriousness of this problem and co-ordinate its efforts to support measures aimed at resolving it.

Natural disasters have also contributed to a worsening of the situation. A severe drought reduced the energy-producing capacity of certain areas and affected agricultural production which has stagnated in this decade, obliging States to resort to imports that in some cases represent 20 per cent to 30 per cent of the internal supply of those countries. Other facets of the Central American crisis have been the decline in intraregional trade, which has been reduced to half its 1980 volume, and the decrease of the participation of the industrial sector in the GNP of the subregion.

(Mr. Delpech, Argentina)

As a result of growing internal economic difficulties and adverse international conditions, the external indebtedness of the subregion increased spectacularly by 123 per cent between 1980 and 1986. One direct effect of this indebtedness was a continued increase in debt servicing which rose to a level from 25 per cent to 40 per cent of the region's exports.

Lastly, social indicators, as could be expected, have also been negatively affected by the crisis. In absolute terms the number of illiterates increased from 3.7 to 4.2 million between 1970 and 1985.

Available data point to the integral nature of the Central American crisis and the need for urgent comprehensive solutions, as well as in the short-, medium- and long-term. That is why we support the approach of the special plan of economic co-operation for Central America submitted to us by the Secretary-General, because it provides for action at various levels aimed at an integral and structural solution to the Central American economic crisis.

We also share the objective of the special plan, which aims at a mobilization of additional support on more favourable terms to complement the assistance already being given to the Central American countries by the international community. In this respect, we should like to congratulate the Secretary-General and Mr. Ramirez-Ocampo and Mr. Rosenthal for the very serious and technically expert work that they did in preparing this important plan.

On 29 November 1987 the eight Presidents of the countries of the permanent political co-operation and consultation mechanism signed the "Acapulco Commitment to Peace, Development and Democracy". That document expresses their will to support the implementation of an international emergency programme for economic co-operation for the Central American countries.

(Mr. Delpech, Argentina)

Today that programme for emergency action and reconstruction is reflected in this special plan of co-operation for Central America submitted to us by the Secretary-General to which, as I have already said, we give our full support. At the same time, we urge the international community at large to give the same support to the plan by participating actively in the measures contained in it.

In line with what was stated by our Presidents in Acapulco, we reiterate our commitment to facilitate trade with the Central American region; to strengthen its financial institutions; to revitalize its plan of integration; and to co-operate in specific projects in the areas of emergency food assistance, scientific and technical co-operation, and assistance to refugees and displaced persons.

The Republic of Argentina has been making enormous efforts to support the region, in keeping with the commitment assumed in Acapulco. In this connection, our country recently made a large contribution to the Fund for the Economic and Social Development of Central America. We have also been contributing to the food security of the region with contributions in kind, amounting to 30,000 tons of grains. In this context, I should like to mention the recent signing of the treaty of regional assistance for food emergencies, which provides the appropriate framework to continue to channel our co-operation in this field.

(Mr. Delpuch, Argentina)

Finally, the constitutional Government of my country has, in co-operation with the United Nations Development Programme (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC), begun an important programme of technical co-operation which includes activities in the fields of foreign trade, the training of business people, the preparation of trade documentation, the construction of low-cost housing, the development of a leather industry, research in the agro-industrial sector, aid to the agricultural and livestock sector, the management of foreign debt, geological mining research, the transportation of hydro-carbons, computerization of the pharmaceutical sector and support for the health-care sector.

Peace, freedom, democracy and growth, and therefore the spiritual and material well-being of the Central American peoples, are all primary and constant interests of Latin Americans. We are all committed to the attainment of the noble objectives the Central Americans themselves set in the Esquipulas II agreements.

That political will of the Central Americans, a free expression of their sovereignty, deserves the broadest, most resolute support from the international community. That is the purpose of the plan submitted to us by the Secretary-General.

The time has come for us to reflect in deeds our encouragement and appreciation of the efforts the Central Americans are making for peace in their region.

Mr. BARNETT (Jamaica): My delegation welcomes the convening of this resumed session as part of the continuing process to achieve firm and lasting peace in Central America.

The signing of the Esquipulas II agreements in Costa Rica last August provided the impetus not only for countries of that region but also for the international community as a whole to tackle the resolution of the political and security crisis

(Mr. Barnett, Jamaica)

facing the Central American region. The efforts of five Governments of that region, as well as those of the Contadora and support groups, must again be commended.

Political turbulence aggravates economic problems, reinforcing the inextricable linkage between peace and development. Having paved the way for the resolution of the political and security problems through the acceptance by the five Governments of the Central American region of these recent agreements, the social and economic rehabilitation of the countries of that region must now be addressed.

Efforts at rehabilitation require the assistance of the international community. We are therefore heartened that through General Assembly resolutions 42/1 and 42/204 the United Nations is involved in this initiative, and we generally support the special plan of economic co-operation for Central America contained in document A/42/949.

The grave economic crisis facing the entire region today has been exacerbated in the Central American subregion by the political tensions and hostilities there. The problems are manifold, affecting both national development and regional integration efforts. The special plan, which we note is based on national priorities, correctly gives a detailed and extensive consideration of the economic and social problems, addressing both immediate and long-term needs, while tackling central problems such as external indebtedness.

One would have thought, however, that in a plan as comprehensive as this one is, all States of Central America which are affected in some way by the conflicts would have been given appropriate attention and assistance. Unfortunately paragraph 35 of the document under consideration makes only a passing reference to the influx of refugees from neighbouring countries into Belize and the social and economic problems it creates.

(Mr. Barnett, Jamaica)

Happily, Belize has not been directly involved in these conflicts, which have stirred international attention. But, in addition to the problems caused by population displacement, Belize has been affected by the existence of a dispute with another country of the region which, although bilateral in nature, has exposed its economy to grave consequences and threatens its sovereignty and territorial integrity.

The situation of Belize cannot, therefore, be ignored, and appropriate assistance must be channelled in that direction. For too long has Belize been the forgotten State of Central America, as though it does not or ought not exist. But Belize is there and will remain a sovereign State. It is somewhat surprising that the United Nations, in preparing this plan, even given its origins, did not from the outset take account of this geographical fact, even if the other Central American countries were disinclined to do so.

The evolution of the Esquipulas II agreements involved five countries of the Central American region. However, it is now time to recognize that Belize is a sovereign member State of Central America, notwithstanding its other ties with the wider region. Due recognition should properly be given to this in the text of the draft resolution (A/42/L.49) before the Assembly for adoption at this resumed session.

We are hopeful that, with the cessation of hostilities in the region and the implementation of this new plan of economic co-operation for all Central American countries, the firm and lasting peace and development that is envisaged in the various agreements and United Nations resolutions will be finally achieved.

The meeting rose at 5.20 p.m.