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SERIES A

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REPORT

drawn up on behalf of the Political Affairs Committee

on relations with the countries of Central America,
including Cuba

Rapporteur: Mrs Marlene LENZ

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A Series: Reports - B Series: Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations) Or. DE



= Consultation procedure requiring a single reading



= Cooperation procedure (second reading) which requires the votes of a majority of the current Members of Parliament for rejection or amendment



= Cooperation procedure (first reading)



= Parliamentary assent which requires the votes of a majority of the current Members of Parliament

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By letter of 9 November 1989, the Political Affairs Committee requested authorization to draw up a report on relations with the countries of Central America, including Cuba.

At the sitting of 11 December 1989, the President of the European Parliament announced that the committee had been authorized to draw a report on this subject.

At its meeting of 7 November 1989, the committee appointed Mrs Lenz rapporteur.

At the sitting of 15 December 1989, the President of the European Parliament announced that he had requested the Committee on Development and Cooperation to deliver an opinion.

At its meetings of 29 June 1990, 15 October 1990, 8 November 1990, 18 December 1990 and 9 January 1991, the committee considered the draft report.

At the last meeting, the committee adopted the motion for a resolution by 19 votes to 8 with 15 abstentions.

The following were present for the vote: Crampton, acting chairman; Defraigne, second vice-chairman; van den Brink, third vice-chairman; Lenz, rapporteur; Balfe, Beazley (for Newton Dunn), Belo (for Dury), Bertens (for Capucho), Bethell, Cassanmagnago Cerretti, Cheysson, Coates, Cravinho (for Bettiza), Dillen, Ferrer, Habsburg, Jepsen, Lagakos (for Klepsch), Lalor, Landa Mendibe (for Fini), Langer, Lomas (for Cariglia), David Martin (for Ford), Medina Ortego (for Moran Lopez), Newens (for Baget Bozzo), Oostlander (for Tindemans), Penders, Perez Royo, Pasmazoglou, Piermont, Poettering, Pons Grau (for Planas), Prag, van Putten (for Hänsch), Robles Piquer, Romeos, Rothley (for Walter), Sakellariou, Stavrou (for PirkI), Suarez Gonzalez (for Michelini), Trivelli (for Castellina), Vecchi (for Napolitano), Veil, Verde I Aldea, Verhagen (for Reding) and White.

The opinion of the Committee on Development and Cooperation is attached to this report.

The report was tabled on 10 January 1991.

The deadline for tabling amendments will appear on the draft agenda for the part-session at which the report is to be considered.

A

MOTION FOR A RESOLUTION

on relations with the countries of Central America, including Cuba

The European Parliament,

- having regard to its resolutions on Central America,
 - having regard to the agreements concluded by the presidents of Central America, and, in particular, the Esquipulas I and II Agreements,
 - having regard to its resolution on the invasion of Panama of 18 January 1990¹,
 - having regard to Rule 121 of the Rules of Procedure,
 - having regard to the declarations made:
 - at Alajuela, in Costa Rica, on 15-16 January 1988,
 - at Costa del Sol, in El Salvador, on 13 and 14 February 1989,
 - at Tela, in Honduras, on 7 August 1989,
 - at San Isidro de Coronado, in Costa Rica, on 11 and 12 December 1989,
 - at Montelimar, on 3 April 1990,
 - at Antigua, in Guatemala, on 15-17 June 1990,
 - having regard to the results of the Sixth Ministerial Conference (S. Jose VI) between the European Community and its Member States, the countries of Central America and Panama, Colombia, Mexico and Venezuela, as joint holders of the conference, which took place in Dublin on 9 and 10 April 1990,
 - having regard to the report by the Political Affairs Committee and the opinion of the Committee on Development and Cooperation (A3-0003/91),
- A. convinced that the progress achieved towards European integration and the consolidation of the democratic process in the countries of Central and Eastern Europe must be reflected in a reinforcement of development cooperation policy with Latin America, in particular Central America, resulting in a stronger commitment on the part of the European Community to solidarity with the Latin American countries,
- B. pointing out the link which must always be maintained between democracy, peace, respect for fundamental rights, the protection of the ecological balance and economic and social development,

¹ OJ No. C 38, 19.2.1990, p. 73

- C. recalling its firm attachment to the right of peoples to self-determination, respect for the sovereignty of States, the universal nature of human rights, and, consequently, its firm rejection of any intervention, especially military intervention, which violates these principles,
- D. concerned at the human rights violations and terrorist acts perpetrated by sections of the State apparatus and para-military groups, as well as guerilla elements in indiscriminate actions,
- E. recalling the support already given by the European Parliament to all the agreements and various initiatives aimed at finding a peaceful, negotiated solution to the crises in the Central American region,
- F. having regard to the process of implementing the Central American peace agreements in the context of Esquipulas II,
 - 1. Supports the countries of Central America in their continued implementation of the process of peace and democratization based on respect for and compliance with human rights and steady economic and social development while preserving the ecological balance;
 - 2. Considers that, despite positive aspects in the progress of the peace process in Central America, particularly regarding the climate of confidence which has been established between the governments of Central America, efforts must be continued to create the political, economic and social conditions needed to make the process of peace and the consolidation of democracy in the region lasting and irreversible and is aware that the irreversibility of peace process is strongly dependent on the manner in which the states of Central America succeed in reducing the major cause of violence, that is, the underlying social and economic inequalities;

I. PROGRESS TOWARDS DEMOCRACY AND PEACE IN CENTRAL AMERICA

- 3. Points out that although since 1984 growing numbers of Central American countries have taken steps towards free and democratic elections, the transition into functioning democracies has still not been completed, particularly as the democratic political structures of these countries are still underdeveloped, partly as a result of the continuing armed conflicts, the alarming human rights situation and the ensuing low level of participation by broad sections of the population, particularly in the countryside;
- 4. Congratulates the presidents and governments and all of the democratic forces of the Central American countries on the efforts which they have made to ensure the success of the peace process in the region, in accordance with the Esquipulas agreements, but stresses that the progress made in the process of democratizing the countries in question is still insufficient, but expects the president of El Salvador and the new president of Guatemala to be elected on 6 January finally to enter into serious negotiations with the rebels in their countries, and urges them to continue the dialogue and efforts towards understanding and peace in a spirit of commitment backed by political resolve;

5. Stresses the importance of the commitment made by the presidents of the Central American countries to prohibit the use of their own territory by persons, organizations or groups to destabilize the governments of the other Central American countries, but also calls on them to give help to those fleeing the violence in their native countries;
6. Points out, at the same time, the importance of the verification procedures incorporated in the Esquipulas Agreements, and stresses the importance of the work carried out by both UNOCA (United Nations Organization for Central America) and ICVM (International Commission for Verification and Monitoring);
7. Highlights the work of the national reconciliation commissions and expresses the wish that the EEC, the USA and other countries willing to subscribe will make a special financial contribution, with a view to facilitating the reintegration of refugees, former political prisoners, exiles and former members of armed groups into the civic, political and social life of their country, and reminds the United States Government in particular of its solemn duty to aid in the country's reconstruction;
8. Welcomes the holding of free, multi-party elections in Nicaragua on 25 February 1990 and hopes that they will lead to a reconciliation of all the political and social forces in the country, and that full respect for democratic institutions will be guaranteed;
9. Stresses in this connection the exemplary attitude of the Sandinista government, both prior to the elections and during the handover of power, and notes with satisfaction the stabilizing role now played by the Sandinistas in opposition;
10. Hopes that the repatriation and reintegration into civilian life of those members of the Contras who have effectively laid down their arms and of their families, will be completed without delay, in accordance with the Toncontin Agreements of 23 March 1990 and the Central American Summit in Montelimar;
11. Calls on the parties and all the democratic forces to undertake a joint effort to achieve and consolidate freedom, democracy and full respect for human rights and to isolate democratically those forces which are opposed to these essential processes;
12. Regrets that the June 1990 negotiations chaired by the UN-appointed mediator have not yielded any tangible results and issues an urgent appeal to the Government of El Salvador and the FMLN for the immediate cessation of hostilities, to be guaranteed by the United Nations and the international community; points out that the decisive step towards ending the civil war in El Salvador can only be a thorough purge of the Salvadorian army of all those soldiers who hold democratic rules in contempt and commit constant human rights violations, and calls on President Cristiani to take these steps as a matter of urgency; is appalled, in this connection, that more than a year after the brutal murder of six Jesuit priests and two servants at the Catholic University of San Salvador the judicial system of El Salvador has still not managed to bring the guilty parties to justice; strongly hopes that all the guarantees and conditions will be established to enable those belonging

to the FMLN to be reintegrated into all sectors of society in El Salvador against the background of full respect for human rights and a reduction in the armed forces, and that a binding timetable for the conclusion of the peace process will be adopted by the parties involved, in accordance with the Caracas Declaration, which was adopted on 21 May 1990 at a meeting of the Salvadorean Government and an FMLN delegation, and calls on the EP to send observers to witness the elections scheduled for March 1991;

13. Calls on the Salvadorean Government, as a matter of urgency and with the aid of the courts, to shed light on the brutal murder of six Jesuit priests and their servants which occurred more than a year ago, thus refuting the claim that justice has been obstructed by those who might be found guilty of the crime;
14. Points to the recent positive developments in the discussions with the representatives of the guerilla movement (UNRG) and all political and social forces in the country, expresses its concern, however, at the volatile political situation in Guatemala and appeals to all democratic groups to press ahead, in a spirit of mutual respect, with the dialogue that is under way, with a view to further consolidating and expanding the process of democratization, central elements of which must be respect for human rights and the prevention of more violence; condemns unreservedly the attempts by some members of the armed forces to disrupt this process of dialogue by launching brutal attacks on the civilian population, such as the recent slaughter of 15 civilians in Santiago Atitlan;
15. Reiterates its condemnation of the US invasion of Panama and hopes that after withdrawal of these troops and the holding of democratic elections Panama will strike out along the path to democracy, enabling the country to make the necessary economic and social progress; welcomes, in this context, Panama's renewed participation in the process of dialogue, negotiation and consultation amongst the governments of the Central American countries; and recalls the efforts of the Panamanian governments to dismantle the military apparatus;
16. Is convinced that only a democratically legitimated government can succeed in achieving reconciliation, and therefore calls on the Endara government to hold democratic elections forthwith; calls on the EC to resume its aid to Panama once elections have been held in order to support the nation's efforts to stabilize democracy;
17. Is concerned at the lack of any democratic reform process in Cuba to date and at the country's increasing isolation; therefore expects President Castro, in view of the worldwide political changes and the resulting détente and erosion of the block mentality, to take courageous steps to complete the necessary democratic transformation of the country, forge links with the OAS and grant the country a new future in a changed world; is convinced that Cuba can make an essential contribution in economics, politics and culture, leading to greater stability and economic growth throughout the region, when its current isolation is broken as a result of domestic democratic reforms, which will make it possible for the country to join the OAS; and expresses its concern at the isolation of Cuba, whether caused by the lack of courageous democratic reforms or by the United States boycott, and calls on the governments of Cuba and the

United States to take decisive steps as soon as possible to end this stalemate, so that Cuba can join the OAS and have a new future;

18. Expects Cuba's neighbours on the American continent to facilitate and promote democratic reform with assistance inspired by solidarity, and in the case of the United States by a willingness to engage in dialogue and an attitude of moderation, and recommends the Commission to step up its contacts with Cuba with a view to future cooperation within the framework of a cooperation agreement, which has hitherto failed to come about;

Human rights

19. Requests the governments of the Central American countries and Cuba to guarantee full respect for human rights and basic freedoms and to ascertain the full responsibility for the crimes committed by members of the State and paramilitary apparatus, as in the case of the assassination in El Salvador of Father Ellacuria and his companions, and of many other anonymous, innocent victims; and calls on the governments and parliaments of the Central American countries to implement all the necessary measures to guarantee full respect for human rights and basic freedoms and restates its absolute conviction that this is an essential basis for democracy in all parts of the world;
20. Calls in particular on the Governments of El Salvador and Guatemala to ban all activity by paramilitary organizations and violations of human rights and calls, likewise, on them and on the guerrilla organizations throughout the region to cease all violent and destabilizing actions, so as to facilitate reconciliation, and to end armed operations and economic sabotage; in addition, appeals to the United States authorities to end all arms supplies to El Salvador forthwith;
21. Considers that the Commission and the Court of Human Rights of the OAS should play an increasing role in this area and expects the OAS to work for the ratification of the Interamerican Human Rights Convention by all its member states and for more intensive activity by the Court of Human Rights;
22. To this effect, requests the governments of the region to ensure that the principles of constitutional government are respected (in particular, the independence and impartiality of the judiciary) and that armed forces are under civilian control;
23. Stresses in addition the importance of respect for basic freedoms such as the freedom of expression and information, the freedom of the media and of trade unions; and the existence and activity of political parties;

Initiatives by the international community

24. Requests the Commission of the European Communities and the Foreign Ministers meeting in European political cooperation to ensure that democracy in Central America is consolidated and, in coordination with the European Parliament, to take the necessary steps to facilitate the establishment of a lasting peace in Central America and to contribute to the successful implementation of the Central American agreements and the setting up of the mechanisms provided for in those agreements;

25. Issues an urgent appeal to the US Government to do all in its power to facilitate the Central American peace process and to support the Central American countries by providing practical assistance; considers it necessary in this respect that a permanent dialogue should be set up between the USA, the European Community and the countries of Central America to enable this objective to be achieved;
26. Strongly emphasizes that the implementation of a free and democratic process of interregional association requires the abandonment of all hegemonic policies, particularly by the USA;

II. THE CENTRAL AMERICAN PARLIAMENT AND THE PROCESS OF REGIONAL INTEGRATION

27. Considers that the formation of a Central American Parliament by means of simultaneous, free, multiparty elections in the various countries, based on the principles of democracy, could contribute to greater stability in the region and economic progress;
28. Welcomes, therefore, the fact that Nicaragua has meanwhile ratified the Treaty setting up the Central American Parliament and calls on Costa Rica finally to drop its reservations and become the last country to ratify the treaty;
29. Supports the initiative by Vinicio Cerezo, who was the prime mover behind the Central American Parliament, and the action taken by the Nobel Prize winner Oscar Arias, and requests that any reservations on the setting up of this Parliament should be lifted, and that the process of ratifying the Treaty under which it is to be instituted should be completed as soon as possible, so that a dialogue may be established with a minimum of delay between the European Parliament and the Central American Parliament;
30. Considers it only logical that Panama should also be part of the Central American Parliament;
31. Renews its commitment to technical and financial assistance for the process of setting up the Central American Parliament and declares itself willing to undertake any form of cooperation to facilitate the establishment of this institution;
32. Considers it essential to support efforts to achieve the regional integration of the Central American countries at political and economic level, and to encourage organizations and institutions of a regional nature; considers that any kind of regional cooperation amongst businesses, cooperatives, trade union organizations, associations and political parties should be strengthened;
33. Draws attention to the following priority areas of cooperation amongst the countries of Central America:
 - integration and economic development,
 - infrastructure and transport,
 - security of food supplies,
 - health and education,
 - the environment,

- human rights and the safety of the individual,
- the war on drug trafficking and drug abuse;

Considers that it is essential for any sphere of cooperation between and with the Central American countries to be based on the respect and protection of human rights and fundamental freedoms, the preservation of the ecological balance, and the welfare of citizens: only where respect for these fundamental rights is guaranteed can cooperation be initiated in the various sectors by the EC;

34. Welcomes the economic action plan adopted by the presidents of the five Central American countries at the summit in Antigua (Guatemala) on 15-17 June 1990, establishing the first steps towards setting up an economic community in the Central American isthmus, and notes with satisfaction that this document stresses the importance of democratic elections and human rights and that Panama is invited to take an active part in discussions;
35. Hopes, therefore, that the declared intention of drawing up a detailed plan, by the end of 1990, for the achievement of a process of regional integration based on democracy, respect for human rights and the environment, and aimed at development which is fair and lasting and is based on people and their cultures, will lead to tangible results;

III. REFUGEES

36. Draws attention to the plight of refugees in the Central American region and to the fact that, following recent political developments, the countries of Central America will have to face a sizeable influx of refugees returning to their country of origin, and therefore calls on the governments of these countries to draw up immediate measures for their complete political and social reintegration;
37. Also stresses the need to protect the various ethnic groups and considers that this problem, in addition to that of refugees should be given special attention in cooperation with the countries of this region;
38. Recalls the action plan agreed upon at the international conference on refugees in Central America and requests the Commission of the European Communities and the Member States to encourage the voluntary return of refugees and their reintegration in their country of origin;

IV. COMMUNITY AID TO CENTRAL AMERICA

39. Reiterates that Community aid to, and economic cooperation with, Central America and Cuba are absolutely essential for the consolidation of democracy, stability and peace in the region;
40. Considers the current level of EC aid to the countries of Latin America, particularly Central America, to be insufficient and calls for a substantial increase in such aid;
41. Therefore requests the European Community and its Member States to support, in accordance with the conclusions of the EC-Central America Interministerial Conference held in Dublin on 9 and 10 April 1990, efforts to bring about development and integration of the population and

the promotion of economic and social reconstruction policies in the region, taking into account in particular that the promotion of and respect for human rights, the protection of fundamental freedoms, the preservation of and respect for the environment, and measures designed to solve the foreign debt problem, must always precede all such efforts;

42. Stresses the importance of setting up the regional payments system financed by the European Community;
43. Draws the attention of the Community and the Member States to the need to tackle the problem of the region's debts by means of a coherent strategy designed to cancel part of the debt and convert part into 'counterpart funds' to be spent within the countries concerned on ecological and social objectives;
44. Considers that the EEC should pursue a coherent and generous policy on indebtedness and should strengthen development aid programmes to offset the adverse social effects of the structural adjustment programmes which the majority of these countries have promised the Bretton Woods institutions to undertake; and that extra support should be given to countries that are not (yet) pursuing an adjustment programme of this type, but are making every effort in other ways to achieve economic adjustment and development;
45. Regrets that the Generalized System of Preferences only has a limited effect as far as Central America is concerned, as it does not apply to the region's principal exports;
46. Reaffirms that the creation of the European Single Market must not be allowed to damage Central American trade and, therefore, action must be taken to ensure:
 - the elimination of quantitative restrictions impeding the trade in certain commodities of special importance to the region,
 - the step-by-step removal of regional customs quotas - in the context of GSP or quantitative restrictions - under the bilateral textile agreements,
 - the reduction of non-tariff barriers, particularly technical regulations;
47. Stresses once again the need for a political agreement on a reform of the EIB statute, to include the possibility of financial investments in Central America; appeals to the EEC to make a financial contribution to the fund already set up under the Central American Bank for Economic Integration (BCIE) designed to fund a loans scheme for small and medium-sized businesses throughout the region;
48. Strongly supports the request from the Ministerial Conference in Dublin to the Commission for better coordination of Community aid with aid from Member States, so as to increase the overall efficiency of cooperation; and to promote and give practical shape to the programmes for Central America;

49. Recalls its decision to include in the 1991 budget a heading to cover the financing of measures aimed at strengthening the democratic process in Central America and Cuba; and calls on the Commission, in joint negotiations with the responsible parliamentary committees and delegation, to implement to the best of its ability budget heading B7-5078 proposed by Parliament for 'subsidies in support of democratization in Latin America';
50. Stresses the need to increase foreign investment in the region;
51. Requests the European Community to increase cooperation with Central American regional organizations or institutions such as SIECA (Secretariat General for Economic Integration), BCIE (Central American Bank for Economic Integration) and CCAD (Central American Commission for the Environment and Development);
52. Considers it useful for non-government agencies and organizations, such as the churches or the International Red Cross, and the NGOs already involved in environmental conservation, to be more closely involved in cooperation under the Community's Central American aid programme;
53. Stresses the importance of cooperation in environmental matters, with particular reference to the prevention of persistent over-exploitation of natural resources, the promotion of economic development models compatible with environmental protection, the adoption of specific measures to prevent deforestation and erosion;
54. Welcomes, in this context, international cooperation plans to save the tropical rain forests, for example those involving Costa Rica and Germany or involving Nicaragua and Italy, and hopes that these examples will inspire others;
55. Stresses the serious problems caused by drug trafficking and production in this region, and considers that they can only be solved by concerted actions at international level to be implemented in cooperation with the countries of Central America, the United States and other countries of the American continent;
56. Requests the President of European Political Cooperation to comment officially on this resolution, in accordance with Article 7(2) of the Decision of 28 February 1986;
57. Instructs its President to forward this resolution to the Commission, the Council the Foreign Ministers meeting in European Political Cooperation, the governments of the Central American countries and of Panama, Cuba, Colombia, Mexico and Venezuela, the US Government and the Latin-American Parliament.

While the 1980s were to outward appearances the years of successful democratization processes in the five countries of Central America and Panama, the 1990s will be the litmus test of the newly created democratic structures in most countries: will they be able to cope with the political change that is normal under democracy and respond to the economic challenges? Stability and efficiency are the pillars of democracy, without which the entire system threatens to collapse. Even the political power of empires is dependent on their economic performance. They collapse when the economy seizes up. The complete transformation of the world situation and the new relationship between the superpowers are very largely due to these factors.

We cannot expect the debt crisis of the 1980s to be fully resolved unless the countries of the region act in concert. Will they be able to meet the difficult challenge, shape strategies for economic development, marshal savings and recover capital that has fled the country, without having to rely on foreign capital and exacerbating the socio-economic inequalities and tensions?

The democratic revival is threatened by concern for governmental stability, governability and the absence of an independent judiciary. Social inequalities and related unrest, corruption and drug trafficking are threatening the consensus on democratic institutions, and the threat is greater where they are weak. Democratization and economic recovery are closely linked.

The ever-present danger posed by strong military forces that continue to do as they please, except in Costa Rica, should not be ignored. The old power structures are strengthened rather than weakened by guerilla fighters, the continued perpetration of civil war-type operations, the destruction of economic facilities by acts of terrorism and the brutal response to such acts, resulting in human rights violations on both sides. The primacy of politics over military might is still a distant prospect. The signing of the Interamerican Convention on Human Rights by all the states in the region and more flexible response to human rights complaints by the Interamerican Court of Human Rights might send out important signals. (See Annex 1).

It is only possible to petition the Court of Human Rights if the state concerned had made an explicit declaration, pursuant to Article 62 of the Human Rights Convention, recognizing the court's jurisdiction. Up to 1988, only ten member states of the OAS (Costa Rica, Peru, Venezuela, Honduras, Ecuador, Argentina, Uruguay, Columbia, Guatemala and Surinam) have made such a declaration.

The reluctance of some states to recognize the jurisdiction of the Court of Human Rights is one of the main reasons why the court had no cases to deal with for seven years.

A negotiated peace satisfying nobody, neither the political parties (whether in government or in opposition) nor the armed resistance, means the brutal war in El Salvador will continue. In Guatemala there is an ever-present risk of a fresh civil war. In Nicaragua the army continues to be dominated by the forces of the strongest opposition party, ousted through the democratic process. Panama is faced with restoring public order, the economy and its political life under constant threat of a military coup.

Cuba has increasingly isolated itself and is at risk of forfeiting all its international political and economic ties in view of the changes in the global political landscape.

Parties and social movements often seem to be unaware that democracy must be built from below. Efforts initiated and supported by the heads of government to set up a Central American Parliament failed to elicit a clear response from the various Central American parties and social movements, even less their cooperation. But political participation is impossible unless the political parties - which are supposed to be represented in this parliament - play a constructive role.

The refusal of the only country that has had parliamentary democracy for decades to sign the treaty on a Central American Parliament confirms this picture.

In Western European democracies, too, the call for a charismatic party leader or statesman is often heard; but the extent to which Latin and Central American democracies focus on personalities frequently overshadows the need to build democracies systematically from below and for an ability to act that is only found where the cult of personality is less pronounced. Admittedly, the presidential constitutions of these states often make it difficult to build democracy from below and thus to consolidate it.

Five variables must be taken into account when assessing the chances of democratic consolidation in Latin America:

- (a) the quality of political leadership
- (b) the challenge of inflation
- (c) the challenge of drug trafficking
- (d) the extent of political polarization
- (e) the challenge of foreign debt

A sixth variable would be the restoration of civilian power and the subordination of the armed forces to the political leadership. To this, I would add the question of the ability to create an independent judicial system and the ability of parties and social groups such as parties, trade unions, farmers, small businesses and the state to engage in regional cooperation. ;

Can Europe help?

The European Community is faced by a major challenge in its aid to Latin and Central America. If it should make further cuts in aid, which is anyway fairly modest, owing to the gigantic efforts required to rebuild Eastern Europe, it would hamper the development of democracies that were as hard won as any in Eastern and Central Europe. This would have the effect of continuing, and even aggravating, the destabilization of an entire region. The US need for security, always a major factor in this region, would again become the overriding concern to the exclusion of all others; this would again strengthen anti-American feeling, which is difficult enough to eliminate as it is. A permanent dialogue between the EC and the US might help in the search for more sensible solutions. Another step that might be worth considering is to institutionalize the San José Conferences (between the Foreign Ministers of the EC and the region).

The development of regional mergers and regionally organized markets accords with the economic structure of the European Community. As partners, both regions should be able to do much more for each other. With Europe in the process of uniting, an increase in aid would be appropriate just now. Europe has much to gain from the fact that it is not seen in the Central American region as a dominant power but as a partner, provided Europeans negotiate with sensitivity and support the entire region rather than their current favourites. Cuba is rather the odd man out at the moment, as its political structure is devoid of any democratic features. As its links with the world Communist camp are increasingly eroded by the shifting political fronts in Europe, it is not only the political structure of the regime that is threatened but also - and far worse for the people - the national economy with the result that the country is heading for disaster.

In conclusion, the point needs making that it is not enough to build up democracies and help them towards their goal via independent democratic elections; once this stage has been passed, long-term, or at least middle-term plans have to be put into effect, proposing practical steps for political and economic consolidation and, at the same time, addressing the social challenges of these countries more effectively than at present.

OPINION

of the Committee on Development and Cooperation

Draftsman: Mrs RUIZ-GIMENEZ AGUILAR

At its meeting of 23 January 1990 the Committee on Development and Cooperation appointed Mrs Ruiz-Gimenez Aguilar draftsman of the opinion.

The committee considered the draft opinion at its meeting of 20 June 1990 and adopted it at its meeting of 21 June 1990.

The following took part in the vote: Saby, Chairman; Aulas y Belo, Vice-Chairman; Ruiz-Gimenez Aguilar, draftsman; Arbeloa Muru (for Laroni), Borgo, Cabezon (for Rubert de Ventos), Christiansen (for Pery), Hermans (for Tindemans), Jackson, Langer (for Melandri) Lagakos, McGowan, Mendes Bota, Pons, Simons, Tsimas (for Schmidbauer), Ukeiwe, Van Hemeldonck and Wynn.

INTRODUCTION

1. A decade of civil conflict and severe economic depression has converted one of the world's most promising regions, Central America, into a region laid waste by violence and economic crisis. In 1990, over 10 million Central Americans (some 40% of the population) were living below the poverty line.

2. In 1987 the five Central American Presidents signed the Esquipulas Peace Plan in order to put an end to the violence. Three years later, many of the problems still persist, rooted as they are in unfair socio-economic structures which give rise to endemic poverty.

3. In these three years progress has been made in reaching the goals set out in the Esquipulas Peace Plan. Within the framework of these accords, talks began with a view to internal reconciliation (between governments and revolutionary movements), which allowed democratic progress to be made in the region and the re-establishment of normal electoral procedures. By the end of 1990, presidential elections will have been held in all the Central American countries. Of particular importance are the results of the recent elections in Nicaragua. The democratic process is not completed by the mere holding of democratic elections; the democratic institutions which safeguard the respect of human rights need to be strengthened, and the severe economic crisis affecting the region poses enormous problems for the consolidation of democratic processes.

4. The premise that lies at the root of the Esquipulas accords is therefore entirely valid: lasting peace, authentic democracy and equitable development go hand in hand. If the decade which has just ended saw the advance of the peace process and of democracy in the region, the fundamental objective of the present decade should be sustained, equitable development which respects the environment.

5. The European Community and its Member States decided in 1984 to initiate political dialogue and encourage economic cooperation. Since then, six EC - Central American interministerial conferences have taken place, the most recent in Dublin on 9 and 10 April 1990, at which two major political and economic documents were signed, ratifying the cooperation agreements between the EC and the countries of Central America and indicating new avenues for cooperation.

6. The political role which the EC has won in the Central American region has taken on particular importance with respect to the implementation and fulfilment of the objectives set out at Esquipulas. The EC's role as mediator has helped to counteract the pressure of the great powers (the USA and the USSR), which for almost ten years turned the region into a focal point for East-West conflict.

7. The balance sheet of EC - Central American cooperation and political dialogue is positive. The agreement signed in November 1985 served as a framework for commercial cooperation, development aid and economic cooperation. Financial aid has risen slowly to around 100 m ECU in 1989. This represents a considerable effort on the part of the Community, but it is not enough, as the overall needs of the region are urgent, and call for greater efforts from the international community. The EC should concentrate its resources on consolidating and strengthening democracy, encouraging

growth, investment and development in the Latin American countries and on institutionalizing the process of regional, political and economic integration.

8. With regard to Cuba, the new climate of detente and open dialogue between East and West, and the profound changes taking place in the Soviet sphere of influence, will also have an impact on the largest of the Caribbean islands. The EC and Cuba opened diplomatic relations barely two years ago. It would seem appropriate to step up these relations as a matter of urgency. As in the Central American region, the EC could play an important intermediate role in avoiding the creation of a new focus of tension in the area.

CONCLUSIONS

The Committee on Development and Cooperation:

1. States its conviction that it is more evident than ever before that the relations of the EEC with Central America should have as their fundamental goal the creation of an institutional framework for political dialogue which would allow the strengthening of democratic structures in the countries of the region. In this connection there is a need to bear in mind the importance of respect for the general principles of international law, which have repeatedly been violated in the region and which are enshrined in the proposal put forward at the recent United Nations General Assembly;
2. Insists that the consolidation of democracy is likely to help to improve the social and institutional fabric resulting from civilian control of development and development aid. Cooperation policy should include active support for human rights, safeguard the interests of ethnic minorities and pay special attention to the plight of refugees;
3. Believes that the European Parliament should revive the plan to set up a Central American Parliament, which could provide an effective platform for dialogue, conciliation and regional integration;
4. Supports, moreover, the plan approved by the five Central American presidents in Antigua which lays the foundations for establishing a Central American Economic Community;
5. Believes that political support for the peace process and the restoration of democracy in the countries of Central America should be a priority for the EEC and the Member States, particularly by performing a role as an international guarantor for the negotiating parties in countries in a state of war;
6. Congratulates the Commission and Council on their contribution to the efforts at restructuring, reactivating and strengthening the process of regional economic integration made in San Pedro Sula (Honduras); draws attention to the Community's contribution of 120 m ECU over three years to set up a new regional system of payments intended to revive and liberalize Central American trade;
7. Calls on the Commission and Council, in the light of the latest interministerial conference (San José VI), to bring their cooperation

agreements in the region up to date so as to be able to undertake their new commitments, and to design a model for development cooperation appropriate to the countries of the region. This model should cover the following areas, amongst others:

- protection of the environment, with proposals for stepping up measures to combat the irresponsible exploitation of natural resources by humankind,
 - the importance of the role of women in the development process,
 - greater assistance in the fields of training, education and research;
 - greater financial support for NGO projects,
 - alternative solutions for correcting the imbalances between the major towns, suburbs and poverty belts,
 - the 'unofficial sector',
 - promotion of and respect for human rights;
8. Believes that the EEC should adopt consistent and generous policies with regard to the problem of the external debt and step up its development aid programmes to cushion the adverse social consequences of the structural adjustment programmes, which the majority of these have entered into in conjunction with the Bretton Woods authorities;
9. Deplores the limited impact in the region of the Generalized System of Preferences, which does not cover those products which make up the bulk of Central American exports;
10. States that the construction of the European Single Market must not be to the detriment of Central American trade, and that measures should therefore be adopted with regard to:
- the elimination of quantitative restrictions which impede trade in certain raw materials of particular importance to the region;
 - the progressive elimination of regional tariff quotas - within the framework of the GSP - or of quantity restrictions - within the framework of bilateral textile agreements;
 - the reduction of non-tariff barriers, particularly with regard to technical norms and regulations.
11. Recalls once again the need to reach political agreement on a reform of the statutes of the EIB which would allow the EIB to intervene financially in the region, if necessary; calls on the EEC to contribute to the fund already set up within the Central American Bank for Economic Integration (CBEI) to finance a programme of loans to small and medium-sized undertakings throughout the region;
12. Recalls that Cuba is the only Latin-American country which currently does not have a framework cooperation agreement with the European Community, and therefore takes this opportunity of recommending that contacts with the Ecu Cuban authorities be stepped up with a view to establishing

