Emphasizing the importance of the end of a critical period in Central American history and the start of a new phase free from armed conflict, with freely elected Governments in each country and with political, economic, social and other changes which can create a climate conducive to the promotion of economic growth and further progress towards the consolidation and further development of democratic, just and equitable societies.

Reaffirming that firm and lasting peace and democracy in Central America are a dynamic and ongoing process that faces serious structural challenges, whose continuation and consolidation are closely related to progress in human development, especially the alleviation of extreme poverty, the promotion of economic and social justice, judicial reform, the safeguarding of human rights and fundamental freedoms, respect for minorities and the satisfaction of the basic needs of the most vulnerable groups among the peoples of the region, issues which have been a primary source of tension and conflict and which deserve to be discussed with the same urgency and dedication as was the case in the settlement of armed conflicts.

Deeply concerned by the devastating effects of hurricane Mitch and other natural disasters on the population and economies of the region's countries and by the possible consequences of a significant setback as regards the efforts of the Central American peoples and the international community to overcome the aftermath of the armed conflicts and as regards the process made with respect to political stability, democratization and sustainable development.

Emphasizing the solidarity of the international community with the victims of hurricane Mitch, as demonstrated by friendly States' generous response to the emergency situation and in particular by the meetings of the Consultative Group for the Reconstruction and Transformation of Central America, held in Washington, D.C., in December 1998 and in Stockholm in May 1998, resulting in the Stockholm Declaration, in which the objectives and principles of reconstruction and transformation were established, and of which five countries agreed to initiate the follow-up process,

1. Takes note with appreciation of the report of the Secretary-General;

2. Commends the efforts of the peoples and the Governments of the Central American countries to re-establish peace and democracy throughout the region and promote sustainable development by implementing the commitments adopted at the summit meetings, and supports the decision of the presidents that Central America should become a region of peace, freedom, democracy and development;

3. Recognizes the need to continue to follow closely the situation in Central America according to the objectives and principles established in the Stockholm Declaration in order to support national and regional efforts to overcome the underlying causes that have led to armed conflicts, avoid setbacks and consolidate peace and democratization in the area and promote the objectives of the Alliance for the Sustainable Development of Central America, especially in the transitional period for overcoming the devastating effects of hurricane Mitch and other natural disasters, which entail extraordinary efforts for the reconstruction and transformation of the worst affected countries in the region, in particular Honduras and Nicaragua;

4. Emphasizes the importance of the global frame of reference and the establishment of national and regional development priorities as the basis for promoting the effective, consistent and sustainable progress of the Central American peoples, and for providing international cooperation in accordance with the new circumstances in and outside the region;

5. Welcomes the progress achieved in implementing the Guatemala Peace Agreements, calls upon all parties to take further measures to implement the commitments in the Peace Agreements, and urges all sectors of society to combine efforts and work with courage and determination to consolidate peace;

6. Also welcomes the efforts made by the people and the Government of El Salvador to fulfil the commitments set forth in the Peace Agreements, thus contributing substantially to the strengthening of the democratization process in the country;

7. Requests the Secretary-General, the bodies and programmes of the United Nations system and the international community to continue to support and verify in Guatemala the implementation of all the peace agreements signed under United Nations auspices, compliance with which is an essential condition for a firm and lasting peace in that country;

8. Recognizes the importance of the Central American Integration System as the body set up to coordinate and harmonize efforts to achieve integration, a process aimed at establishing, gradually and progressively, the Central American Union, and calls upon the international community, the United Nations system and other international organizations, both governmental and non-governmental, to extend generous and effective cooperation with a view to improving the competence and efficiency of the Central American Integration System in the fulfilment of its mandate;

9. Encourages the Central American Governments to continue to carry out their historic responsibilities by fully implementing the commitments they have assumed under national, regional or international agreements, especially the commitments to implement the social programme to overcome poverty and unemployment, establish a more just and equitable society, improve public safety, strengthen the judiciary, consolidate a modern and transparent public administration and eliminate corruption, impunity, acts of terrorism and drug and arms trafficking, all of which are necessary and urgent measures for establishing a firm and lasting peace in the region;

10. Reiterates its deep appreciation to the Secretary-General, his special representatives, the groups of countries for the peace processes in El Salvador (Colombia, Mexico, Spain, United States of America and Venezuela), and Guatemala (Colombia, Mexico, Norway, Spain, United States of America and Venezuela), to the Support Group for Nicaragua (Canada, Mexico, Netherlands, Spain and Sweden), to the European Union and to other countries that have contributed significantly and to the international community in general for its support and solidarity in the building of peace, democracy and development in Central America;

11. Reaffirms the importance of international cooperation, in particular cooperation with the bodies, funds and programmes of the United Nations system,