

Discussion on Central America  
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**Gianni Rufini - Coordinator of VOICE (1)**

I believe that, in order to assess the effectiveness of the reconstruction intervention in Central America, it is necessary to consider the features of the society with which the non governmental international cooperation has been interacting in the crisis set off by the Mitch Hurricane.

The countries struck by the hurricane have known a longstanding and capillary presence of the NGOs. In these countries the civil society is strong, dynamic, very demanding, and for many years it has lobbied the non governmental international community to consistently commit to a capacity building action.

Right after the Mitch Hurricane a fruitful dialogue between the international and local NGOs on one side, and the civil society on the other side, has flourished. The international NGOs have immediately started working on the evaluation of the actual impact of the crisis and on the estimate of the means and resources necessary to the reconstruction.

This commitment has brought about, in mid March 1999, a discussion, held in Brussels and prompted by VOICE, among more or less one hundred NGOs (from Europe and Central America) that has originated the elaboration of the "Brussels Document". Post Mitch: proposals of the European NGOs at the Stockholm's Summit for reconstruction and development in Central America". This document has served as a basis for confrontation with the donor countries within the Stockholm's Summit (May 1999). Moreover, on that occasion, it has been explicitly recognised the role of the NGOs, which took part to the event with six national delegations of the donors.

The presence of a strong and rooted civil society, the cooperative relationship set up between national and international NGOs, constituted a fruitful ground for the start of a process of reconstruction and cooperation endowed with a strong, innovative, revolutionary proposal's ability. Instead, at the end of May 2000 we have to observe that we are facing a stasis of the activities of reconstruction, essentially determined by the slowness of the administrative machine, which should have supported the activity of the NGOs involved in the reconstruction activity, in carrying out its duties. On May 16th and 17th 2000 a seminar of strategic reflection was held in Brussels, promoted by VOICE on the disaster prevention: on that occasion the officials of the European Commission responsible for the Programa Regional de Reconstrucción en América Central (PRRAC) declared they had just completed the administrative procedures for the hiring of the personnel for the local operative unit that should manage the program activity.

The meagre result achieved by the international community, twenty months after the disaster and more than one year after the pledge of offers by the donors in the Stockholm's Summit, among which the European Commission's one that has pledged more than 270 millions of Euros destined to the reconstruction program, is the completion of the administrative practices for the personnel's hiring! The delay of the reconstruction process has had immediate effects both on the population, who does not receive the aid allocated to it, and on the actual validity of the planned projects. When, finally, the actors of the international cooperation will have at their disposal the necessary means to start working actually on the field, they will have to face needs and demands inevitably different from the ones identified many months before. Meanwhile, the populations slashed by the hurricane, always extremely prompt and capable of coping with extreme situations, will have already found other aid and means.

In this context of delays and negligence, Italy has a responsibility which is not marginal at all. Our country has enjoyed a potential leadership in this region, thanks also to the historical presence of the non governmental movement in Central America, but it has allocated less than 30 billions of liras, and it has not taken part to the Stockholm's Summit. It is a failure for the Italian NGOs as well, incapable of forcing our country to take up a more active role in this area.

Given this failure, the NGOs will have to question themselves on their role in Central America. More than once we have underscored that our determination in stressing the importance of the civil

society is not a cultural-political posture, but a simple acknowledgement of the reality: we have to face a society that is structured, organised and dynamic, able to solve its own problems, to plan and manage its own initiatives and to identify its own needs. The Central American society itself has signalled, for instance, that investments in big infrastructures (highways, harbours, etc.) are useless in an economic context characterised by the presence of small farmers: it would be better focusing on rural roads and local markets. It is necessary to favour the possibility of exporting products and to prioritise the walks of the population more hardly struck by the hurricane, that is the groups that live in the low lands, more likely victims of the flood or in the suburban slums.

The NGOs should then strengthen their lobbying ability towards the donors, so that they give the right weight to the Central American civil society and the needs identified by it.

Nor under this point of view it is possible to mark a positive result. In conflict situations, for instance, the donors tend to reason in simplistic terms about themes that are all but simple, and continue operating in the absurd conviction that it is possible to unblock the mechanisms of the crisis or to obtain the pacification simply allocating a little more aid.

In order to modify this situation we need to be aware of the patrimony of competence and knowledge that our NGOs have accumulated. The NGOs have achieved a significant weight in the international development cooperation, also in economic terms. It is sufficient to notice that in 1999 the European Commission has financed projects and activities implemented by the NGOs, for a total amount of almost 1,500 millions of Euros, and it has destined 67% of the funds for humanitarian aid, which, on the whole, have been managed by the European Community Humanitarian Office (ECHO), and it has reached the figure of 800 millions of Euros.

This has generated a negative reaction by other actors of the cooperation sphere, whose spaces have gone shrinking. Due to the lobbying of these actors, there are more and more countries and commissioners that press for the allocation of a greater quantity of European aid to the United Nations. This idea does not have any other justification but a strictly political one.

The United Nations play a very important role as coordinator both of the sector specific policies and of the regulation of the international relationship, but they are very inefficient when they operate as executive agencies, since they run over rate costs between 30 and 70%, whereas the NGOs manage to operate effectively with only 6%. Furthermore, they use the NGOs themselves to implement most of the activity funded by the donors. It is straightforward that increasing the quantity of funds destined to the United Nations would insert another step in the route donor-recipient. This, in turn, would decrease the economic efficiency of the available resources in terms of final impact.

The situation is so confused that the European Commission is already setting up a system of humanitarian aid which is parallel to the one managed by ECHO, called Rapid Reaction Facility (2), already announced by Cristopher Patten, International Relations Commissioner, which tries to solve the problem of conciliating the impartiality of the humanitarian aid with the common foreign policy decisions of the so called Common Foreign Security Policy (CFSP) (3). I think that, also according to the best European tradition, the humanitarian aid should be by itself impartial, independent from political or geo-strategic opportunism, addressed to the concept of humanity, while the Rapid Reaction Facility seems a sort of biased humanitarian aid, used for political purposes.

In the past 30 years the NGOs have demonstrated to be more cost-effective and more efficient than many other international actors (also as far as the costs are concerned), but they have some difficulties in conquering an adequate role in the international sphere.

Yet events like today's one, which allows to represent – publicly and efficiently – the noticeable qualitative level reached by the NGOs, can give the non governmental world the strength of putting forward the proposals and the strategic options necessary in order to conquer the space and the acknowledgement that this world deserves.

### **Salomé Castellanos - Ambassador of the Republic of Honduras**

As Ambassador of the Republic of Honduras I represent a country that has seen 70% of its infrastructure destroyed by the Mitch Hurricane. Our region, even having all the necessary means to reach a level of development similar to that of the industrialised countries, has to fight against two obstacles that seem insuperable: the environmental catastrophes and the foreign debt. Both of them could be tackled more efficiently, by an adequate prevention policy the former, and by a greater cooperation between the debtor and the creditor countries the latter.

The tragedy that has struck Central America was not foreseen either in Central America or outside Central America, and has traumatised both our population and the whole world. The Mitch Hurricane has taken the Honduras' development back to many years ago and it will take a long time before reaching the same level as before the hurricane.

Yet the strictest constraint to the realisation of our development is the foreign debt. Even the shrines of the global economy, the International Monetary Fund (IMF) and the World Bank (WB), have asserted that the foreign debt is an unbearable burden for our economy. The growth of the foreign debt, starting from the early fifties to date, has been exponential: in 1950 Honduras did not have a cent of foreign debt, in 1973 had already accumulated a debt of 500,000 US\$ and in 1998, before the Mitch Hurricane, of 5 US\$ millions.

The effects of the hurricane on the region's infrastructure have been devastating: most of the bridges and of the roads have been completely destroyed. My country is grateful to the international community that has bountifully helped us to get out of this crisis. Nonetheless, I have to signal the fact that in Tegucigalpa, capital of Honduras, there are still 600,000 inhabitants under the risk of flood due to the lack of funds to dredge the rivers.

Given the huge problems we have to face I want to take this opportunity to ask you to work together to the strengthening of a cooperation as effective as possible, and to thank you for the effort you are making to build a better world for everyone.

### **Luigi Grando - Responsible of CISP for International Programmes in Latin American and the Caribbean Area**

As the person responsible of the International Programmes in Latin America and the Caribbean of one of the NGOs taking part to Forum Solint I am particularly interested in the PRRAC. This program, whose activation has experienced huge difficulties, represents a new operative modality, which opens windows of local management of the interventions, and shows a tendency to the decision decentralisation by the European Union.

It is important to signal that a similar tendency can be noticed in the Ministry for Foreign Affairs. I refer to the case of Colombia, where – besides funding a project carried out by a consortium of Italian NGOs through the United Nations Development Programme (UNDP) – the Emergency Office of the DGCS has constituted an operative unit at the Italian Embassy, performing very efficiently the functions of strategic and operative coordination and of direct funding of several projects of post-emergency and reconstruction of the so called *eje cafetero*, an area slashed by a terrible earthquake in January 1999. Also in Venezuela, the financing by Italy of projects identified by the cooperation and the competence sharing between some United Nations Agencies and the Italian NGOs present on the field, is giving extremely interesting results in the work of reconstruction after the serious flood occurred in December 1999. Both these experiences, besides being very effective both in terms of impact and of optimal use of the resources, have granted Italian Cooperation a high level of visibility.

Given these results, I wonder why these modalities of interventions have not been used in the post-Mitch emergency activities. I believe that, if the mentioned approach were adopted, it would be possible to achieve in Central America results similar to the ones achieved in Colombia. I think that the NGOs that operate in that region have to pose a pressure on the DGCS so that the same schemes of decentralisation and collaboration, in the identification of the strategies and of the projects implementation can be adopted.

**Giovanni Ferrero - Deputy Director General of the American countries (DGA) of the Ministry for Foreign Affairs**

The concept itself of disaster has to be reformulated if the effectiveness of the interventions is to be improved. In fact the international cooperation tends to consider this event as episodic, underestimating its danger and being unable to prevent its destructive power. The natural disaster should be deprived of its exceptional feature, with an effort of prevision, intervention and prevention, and it should be conceived as the final result of a chain of causes that are not only natural, but also – often – environmental, social and economic.

The Ministry for Foreign Affairs has started moving in this direction when, after the Summit where all the heads of State and of government of Europe, Latin America and the Caribbean area (Rio de Janeiro 28-29.06.1999) gathered, has constituted, jointly with the Istituto Italo Latino Americano (IILA), a working group in order to study all the dimensions (environmental, social, economic, etc.) of natural disasters. In fact these go beyond every borders and raise an issue of regional cooperation, similarly to what happens in other spheres of the international cooperation, as in the case of the poverty relief. The Summit of Rio de Janeiro itself has restated that the regional dimension is a basic dimension in order to sustain the processes of development and pacification: this is the reason why tackling the problem of reconstruction in Central America means affecting the peace process as well, investing on the human, social, natural, physical capital.

This is not an isolated phenomenon in the history of Italian Cooperation, always very active in the reconstruction field, as the former Prime Minister Massimo D'Alema confirmed during the Latin American Forum on "Development and Small Enterprises" (Verona, January 31st - February 2nd 2000). Under that occasion Italy announced a contribution of 30 millions of US\$ to the Fondo Multilateral de Inversión (FOMIN) at the Banco Interamericano de Desarrollo (BID), fund that can be directly activated by the Latin American governments for the creation of small and medium enterprises with a special emphasis on the micro enterprises, which represent a remarkable instrument to fight poverty.

Italy is also playing a crucial role in the writing off of the foreign debt issue. Following the indications of the Stockholm's Summit, Italy, by a bill currently under discussion in the Parliament, is going to exempt Nicaragua, Honduras and other countries from the debt service to our country.

Today the development international cooperation is undertaking substantial changes and transformations: the number of actors involved is significantly increasing, as well as the complexity of the crises these actors have to tackle.

The great number of speakers can enrich the action but it can also make it more difficult, imposing an effort of link, confrontation and organisation. In this context the NGOs are experiencing a phase of diversification of the activities that should drive them to play an innovative role in several fields, from the creation of small and medium enterprises with projects of information technology development and vocational training able to create the background on which to build the economic growth, to the elections monitoring, or to the support of the peace process in the countries that come out of conflicts.

In this respect, finally, the idea of creating new observatories on the international crises, launched today by the NGOs that promote Forum Solint, seems quite important. These observatories could capitalise the contribution of the different actors, while keeping a comprehensive vision and contributing to the identification and to the subsequent adoption of operative solutions able to fit the contexts and the actors that take part to the development and reconstruction process. The Italian NGOs, which have demonstrated, among other things, an outstanding ability in the elaboration of analyses and strategic proposals, could constitute an essential component of these observatories.

*(1) Voluntary Organisations in Cooperation in Emergencie (VOICE) is a network constituted in 1992 by around 90 European NGOs that work in the humanitarian aid and emergency sphere. Furthermore, VOICE constitutes the "Department for the humanitarian aid" of the Liaison Committee of the development NGOs with the European Union (CLONG), formed by 900 NGOs*

*belonging to the 15 member states of the European Union. (editor's note) (2) This service, whose constitution has been prompted by the meeting of the European Council in December, 1999, will have the task of improving the ability of the European Union of intervening rapidly and effectively for the conflict prevention and the management of the crises. (editor's note) (3) The CFSP has been instituted by the Treaty of the European Union of Maastricht in 1992. The CFSP 's aim is to strengthen the European Union foreign policy trough an improved coordination between the EU foreign policy itself and the other member states'one. Just in 1999 Europe's council appointed Javier Solana as the High Representative in charge of its concrete implementation. (editor's note)*