Canada continued to support the process after the second draft treaty was rejected and the Contadora Group recessed in the fall of 1985. On 15 February 1987 the Presidents of Costa Rica, El Salvador, Guatemala and Honduras met in Costa Rica to discuss a new Costa Rican peace plan. The plan called for a cease-fire between the Nicaraguan government and contra rebels as well as cease-fires in the civil wars in El Salvador and Guatemala. Other elements included: a dialogue between the Sandinista government and the internal political opposition in Nicaragua; a ban on all foreign aid to rebels in the region; a withdrawal of Soviet, Cuban and US military advisors; and a calendar of democratization for Nicaragua that would result in free elections to be overseen by teams of foreign observers.

Nicaragua initially reacted unfavourably towards the Costa Rican meeting because it had not been invited, but later its position changed and President Ortega expressed willingness to meet with the other nations to discuss the plan. A summit of the leaders from the Central American countries was planned for June 1987.

However, after a meeting with US Special Envoy Phillip Habib, the President of El Salvador, José Napoleon Duarte, announced that there was insufficient agreement among the five nations and asked that the proposed summit be postponed.

Current Canadian Position

In a speech to the Inter-American Press Association in Vancouver on 15 September 1986, Prime Minister Brian Mulroney outlined the Canadian position on the conflicts in Central America. More so than previous statements, the speech expressed the Government's disapproval of