

## **Chee Yoke Ling - HRC Working Group on Right to Development – Interactive Dialogue (4 April 2017)**

### *Talking points*

#### **Financing for development as a means for eradicating poverty and promoting prosperity from the right to development perspective**

The UN Declaration on the Right to Development is a fundamental human rights framework for addressing international systemic issues, and the creation of an international enabling environment, which includes trade, debt, technology and reform of the international financial system and global economic governance.

Article 3(1) emphasizes that States have the primary responsibility for the creation of national and international conditions favourable to the realization of the right to development. Article 3(3): States have the duty to cooperate with each other in ensuring development and eliminating obstacles to development. Article 4.2: Effective international cooperation is essential in providing developing countries with appropriate means and facilities to foster their comprehensive development.

The 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals with targets has 3 fundamental principled elements under the rubric of **Common but Differentiated Responsibilities** (CBDR).

CBDR is even more relevant today as it strives to balance the universality of long-term intentions and goalposts in the international community within the reality of the deeply imbalanced and asymmetric world in which we live in. The Office of the High Commissioner for Human Rights had recognized the 1992 Rio Declaration on Environment and Development as incorporating human rights principles when it urged Member States to not leave the Rio Principles behind in the Rio Plus 20 summit in 2012 that paved the way for the 2030 Agenda and its SDGs.

#### **The principle of CBDR in particular captures the trinity of universality, differentiation and responsibility that is the foundation of the 2030 Agenda.**

- *Differentiation* in SD targets;
- *Responsibility* as the basis of delivering actionable MOI across the relevant areas of financial resources, technology, capacity development, but also vis-à-vis the creation of an enabling international environment for development, policy space and the global partnership for development; and,
- And the imperative of *universality* to embody the relevance, commitment and action priority of goals to all member states.

Extraterritorial Obligations flow from that.

The indivisibility of human rights is encapsulated in the Right to Development and to realize the right to development Means of Implementation are essential – finance, trade,

technology and capacity building and commitments of the international community that have been negotiated over decades, are reaffirmed and more integrated than ever before in the set of SDGs and targets. SDG 17 is about **strengthening** MOI. Importantly SDG 17 also sets targets on **Systemic Issues** – global macroeconomic stability, policy coherence, national policy space.

The provision of MOI goes hand in hand with not placing additional restrictions or burdens on developing countries (links to extraterritorial obligations). For example, Goal 3 is “to ensure healthy lives and promote well-being for all at all ages.” One of the targets is to achieve universal health coverage, that no one should be denied treatment because they cannot afford it. But unless there are sufficient funds, this will remain an unfulfilled noble target. Exorbitant medicines prices are linked to patents and This is a skewed intellectual property system. Example: a new drug for Hepatitis C (sofosbuvir, patented and marketed by Gilead Sciences) with an excellent cure rate is sold for US\$84,000 in the US and 56,000 euro in Europe for a 12-week course of treatment. Generics are available in India at US\$250 to 300, and recently in Pakistan for US\$70.

*For the SDGs to succeed, finance and technology have to be transferred to developing countries and some international rules on trade and intellectual property have to be altered if found to be obstacles to the right to development. Example: The intellectual property agreement of the WTO has a review provision but the review process has not progressed.*

## **FINANCE**

### **SDG 17**

- Public versus private (FDI, blended financing through partnerships, leveraging private sector financing)
- Mobilising domestic resources, including through international support developing countries to improve collection of tax and other revenues
- Contradictions when mobilizing domestic resources through fiscal and tax policies can be frustrated when policy space is constrained under investment and trade agreements

**Financing for Development: 2002 to 2017** – regression from structural analysis and substantive commitments and recommendations but Addis Ababa Outcome nevertheless reaffirmed the Monterrey (2002) and Doha (2008) outcomes. Not to forget the 2009 UN conference on the financial crisis that focused on systemic flaws. However, major developed countries are unwilling to move on FFD substance as seen in their insistence that it was "too early" to assess progress on implementation. So the first inter agency task force report on FFD in April 2016 limited itself to setting out the

methodology for monitoring implementation in the future. Even as it did this, it narrowed down its framework to the Addis Ababa Action Agenda, neglecting the previous FFD outcomes in Monterrey (2002) and Doha (2008) that the Addis Ababa Outcome actually reaffirmed. The inaugural ECOSOC forum on FfD follow-up (18-20 April 2016) was thus a disappointment. This continues to be the situation.

The MOI review in the 2017 session of the HLPF is a key opportunity for systemic issues to be a focus – bringing the Right to Development perspective is crucial. Human rights violations are rooted in power imbalances and structural injustice with close and often direct co-relation with economic systemic flaws.

The Working Group on RTD should also “populate” ECOSOC and the UNGA Second Committee where the EU wants to merge, or fold, the Second Committee’s macroeconomic resolutions into an omnibus resolution. In other words, to collapse the various separate resolutions on debt, international financial system, trade, FfD, commodities into one single package resolution. Their rationale is that it can all be folded under the Addis Ababa FFD follow-up. However this would dilute the systemic issues.

There are also some Member States that want the work on sovereign debt workout principles that have been undertaken by UNCTAD for many years (with the principles finally adopted by governments) to be assumed by IMF. This would not be a good move.

## **Global Partnership for Development**

This is a partnership of States as state responsibility is the foundation of sustainable development.

In the 2030 Agenda *chapeau*, although the commitment to international cooperation is reaffirmed, it is framed within a broad alliance of people, governments, civil society and the private sector – while involvement of all in society is required, there cannot be substitution or dilution of State responsibility and intergovernmental cooperation with the commitments and obligations of UN treaties, soft law and political commitments.

## **Multistakeholder partnerships in SDG17**

Role of business and transnational corporations -

A notable mention in the G77 matrix on second ctee revitalization is the progressive language used for **partnerships**: "*Intergovernmental oversight of partnerships at the agencies and system-wide levels: respect of values and intergovernmental mandates*" and "*Transparency and accountability through multi-layered monitoring, reporting and review partnerships*".

Therefore there should be a strengthened or enhanced global partnership for development, in which the meaning is international cooperation on a broad range of key development issues, especially structural/systemic obstacles, and mainly of a North-South basis. The partnership is one that is principally between governments of

developed and developing countries, with the developed countries taking the lead in providing resources and the means of implementation. SDG 17 captures this inter-State responsibility and in the implementation stage there is need to ensure that partnerships with the private sector are not place over that global partnership.

A genuine and balanced global partnership then would enable people and institutions to **monitor the common but differentiated responsibilities** of all actors to prohibit rather than perpetuate the global obstacles.

**Existing human rights norms** can provide a common set of standards and useful yardstick to assess policy coherence for sustainable development.