**Talking Points Attiya Waris**

**Time 8 minutes**

**Maximizing available resources for ESCR and leaving no one behind at a time of growing debt distress**

With links to the three SDGs in focus (SDG 1, 16 and 17), the second panel discussion will explore the human rights implications and solutions to the current debt crisis. It will highlight States’ promising practices, lessons learned, and policy interventions needed to improve the international sovereign debt restructuring architecture. It will also explore how principles of responsible borrowing and lending can better reflect the human rights obligations of States, as a way to reduce debt risks, indicate early warning signs of crisis and enhance the ability of market-based instruments to support human rights and the SDGs.

**Moderator: Mr. Richard Kozul-Wright,** Director of the Division on Globalization and Development Strategies, UN Conference on Trade and Development (UNCTAD)

**Panel discussion with:**

* • \_**Mr. Navid Hanif**, Assistant Secretary-General for Economic Development, Department of Economic and Social Affairs (DESA)
* • \_**Prof. Attiya Waris**, UN Independent Expert on Foreign Debt and Human Rights
* • \_**Ms. Maryann L. N. Lwandamina**, Acting Assistant Director - External Debt at the Ministry of Finance and National Planning, Zambia
* • \_**Prof. Musa Shteiwi**, President, Economic and Social Council of Jordan

**Date**: Thursday 18th January 2024

**Where:** Palais des Nations, at 15:00 – 16:25

**Session 4**:

**Talking Points**

**Excellencies**

**Ladies and Gentlemen**

**Good afternoon**

1. **Setting the context**
2. COVID-19 pandemic was preceded by debt unsustainability, a shift towards austerity measures and a prioritisation of debt servicing that led to a deepening of the socioeconomic inequalities within and between countries. The pandemic and the subsequent rise of other crises in parallel have exacerbated debt and fiscal deficit levels in low-and middle-income countries that has negatively impacted the human rights, particularly of women and marginalised people.
3. The top fifty most climate vulnerable nations are also the most debt vulnerable. One of the most important yet often understated roles of fiscal policy is to deliver on the human rights obligations of States towards their populations. Post pandemic international debt relief initiatives have fallen short as nearly two-thirds of the Special Drawing Rights worth USD 650 billion have gone to high income countries.
4. Countries currently are spending more on debt payments than they are collectively spending on key social sectors like health, education and social protection. The 2022 Financing for Development report states that to finance social protection gaps alone, low-and middle-income countries need to spend an estimated additional USD 751 billion and USD 351 billion [2022 Financing for Development Report](https://reliefweb.int/report/world/financing-sustainable-development-report-2022).
5. The current global financial structure displays economic entities and high net worth individuals rather than individual countries as the true wielders of financial power.
6. **human rights implications and solutions to the current debt crisis**
7. Rights Require Resources but Resources also Require Rights
8. Their accumulation of power is attributed to a system that permits and in some cases, even encourages mass tax evasion. Profit seems to constantly supersede the welfare of people. States drain public resources as permitted by weak regulatory frameworks that see citizens grappling with continuous rises in wealth inequality. The provision of basic social services becomes difficult: access to education and healthcare is jeopardised.
9. It is clear that the arbitrary depletion of public resources presents a country with grave consequences when it comes to the realisation of human rights and particularly, as we shall see today, women’s rights. This obviously raises issues pertaining to economic, social and gender justice.
10. What then? Illicit financial flows must be stopped. Funds must be reclaimed and channelled to their original purpose, that is the creation of public resources in an attempt to secure the human rights of a given population.
11. **Principles of responsible borrowing and lending can reflect human rights**
12. Additionally, challenges in the realm of taxation within the global south is the **existence of varied understanding and experiences of tax principles and practices among various communities**. This diversity of perspectives and interpretations poses a significant hurdle in formulating and implementing effective tax policies that resonate with the diverse needs, cultural values, and socio-economic contexts of different populations.
13. Fiscal Legitimacy[[1]](#footnote-1):
    1. transparency
    2. accountability
    3. responsibility
    4. efficiency
    5. effectiveness
    6. fairness
    7. justice
14. **Reduce debt risks, indicate early warning signs of crisis and enhance the ability of market-based instruments to support human rights and the SDGs**
15. Mental Health
16. Stunting
17. Reduced fertility
18. Failure to reform global financial architecture

* International financial systems continue to promote colonial relationships based on extraction and control. Foreign aid has played a crucial role in propelling nations towards their development goals, however, it cannot continue to shape the agenda of a country’s development schemes.
* The importance of decolonial thinking, or decoloniality, in education financing cannot be overstated. It involves altering the power dynamics that exist between national governments and international donors, lenders, and financial institutions. This entails ensuring that national governments, in collaboration with their citizens, have the primary influence in shaping education reforms and are empowered to lead the process.[[2]](#footnote-2)

1. Refer to my Communications
2. Mention Reports to be presented in the upcoming HRC session:
   * Fiscal Legitimacy to HRC in March
   * Fiscal Social Contract to GA October

**Recommendations**

1. As per the recommendations provided in the report to the GA on International debt architecture reform and human rights (A/76/167), the common principles of Responsible Sovereign Lending and Borrowing must be upheld, which recognize the right of countries to restructure their debts.

* In the context of recovery from COVID-19 and other crises, unused and underutilised Special Drawing Rights (SDRs) must be channelled from high-income to low-and middle-income countries.

1. With the UN playing a leading role, a multilateral debt workout mechanism must be laid down to ensure a legitimate and levelled-playing field with least costs to debtor countries built on the existing guiding principles.
2. The [**resolution**](https://undocs.org/A/C.2/77/L.11/REV.1) tabled by Nigeria on behalf of the African group, adopted, at GA 77 called on Member states to lay the groundwork for a new UN convention on tax that would give low-and middle-income countries decision-making power over global tax affairs. Paving the way for more inclusive and effective international cooperation, such reforms, like the UN global tax body should promote a rights-based economy to ensure human rights obligations are at the centre of financial and fiscal decision-making.
3. Fifthly, the reform of the global financing, fiscal and the development systems need to advance the Sustainable Development Goals and should be anchored in not only positive practices of international cooperation and assistance, as well as in international human rights standards and norms that obliges States to take necessary steps to allocate maximum available resources for the progressive realisation of human rights. This would also mean protecting the sovereign ability of States to formulate appropriate national development policies that aim at the constant improvement of the well-being of the entire population and of all individuals under article 2(3) of Right to Development. My upcoming report titled ‘Towards a global fiscal architecture using a human rights lens’ to be presented at the Third Committee of the 77th General Assembly intends to explore effective and fair mechanisms to use public resources to guarantee human rights for all by tackling the uncontrolled growth of the wealth of a few. Governments cannot tackle those issues alone and therefore, require democratic cooperation and assistance to address the issues of global tax abuse under a multilateral and inclusive rights aligned fiscal framework. We ned to see these divergent spaces coming together more through conversations and openness to diverse approaches.

**Other issues of importance**

1. Reports by the mandate current and previous included have been on “Towards a global fiscal architecture using a human rights lens” ([A/77/169](file://C:\Users\Gotzon.Onandia\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\AN9FEI82\•COVID-19%20pandemic%20was%20preceded%20by%20debt%20unsustainability,%20a%20shift%20towards%20austerity%20measures%20and%20a%20prioritisation%20of%20debt%20servicing%20that%20led%20to%20a%20deepening%20of%20the%20socioeconomic%20inequalities%20within%20and%20between%20countries.%20The%20pandemic%20and%20the%20subsequent%20rise%20of%20other%20crises%20in%20parallel%20have%20exacerbated%20debt%20and%20fiscal%20deficit%20levels%20in%20low-and%20middle-income%20countries%20that%20has%20negatively%20impacted%20the%20human%20rights,%20particularly%20of%20women%20and%20marginalised%20people.)), “International Debt Architecture Reform and Human Rights” ([A/76/167](https://www.ohchr.org/en/documents/thematic-reports/a76167-international-debt-architecture-reform-and-human-rights-report)) and others.
2. Additional resolutions adopted in the 46th session of the Human Rights Council on [46/8](https://www.undocs.org/A/HRC/RES/46/8) on the effects of foreign debt on the enjoyment of human rights, and [46/11](file:///C:\Users\Gotzon.Onandia\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\AN9FEI82\46\8%20on%20the%20effects%20of%20foreign%20debt%20on%20the%20enjoyment%20of%20human%20rights,%20and%2046\11%20on%20non-repatriation%20of%20funds%20of%20illicit%20origin) on non-repatriation of funds of illicit origin.

1. Waris Financing Africa (2019) Waris tax and Development (2013) [↑](#footnote-ref-1)
2. [↑](#footnote-ref-2)