## **Maat for Peace’s Input on 2023 reports of the UN Special Rapporteur on the right to development**

**Introduction**

The following report provides input on the two reports that the Special Rapporteur will submit to the respective mechanisms. The imposition of sanctions and the double standards of international financial institutions have been highlighted as key challenges to the realization of the right to development. The role of governments and businesses towards achieving this right was also discussed in this report followed by a recommendations section.

1- HRC Report (September 2023) – “Reinvigorating the right to development: A vision for the future”

**Key remaining challenges in the effective realization of the right to development**

*Imposition of unilateral coercive measures in the form of economic sanctions*

There are several key remaining challenges in the effective realization of the right to development. The first challenge is sanctions, which may cause a country's economy to contract and attract less foreign investment, impeding its prospects for long-term economic growth and development as well as its ability to exercise its right to development. Additionally, sanctions make it more difficult for a country to import necessities like food, medication, and humanitarian relief. This could result in shortages, higher costs, and restricted access to essential resources, directly affecting the population's prospects for development and well-being. Vulnerable groups such as children, the elderly, and others with pre-existing diseases may encounter significant difficulties in getting access to healthcare and other essential services. On a similar note, sanctions can harm public investments, infrastructure growth, and social services. Access restrictions to financial resources, technology, and expertise can obstruct development in sectors such as health care, education, and infrastructure development. Moreover, public service availability and quality could decline, which would have an impact on population growth on a whole.

***The Case of Syria***

This could be proven by examining Syria’s case where sanctions caused significant impediment on the country’s development process, affecting millions. Western sanctions on Syria are currently entering their twelfth year and there is no denying that the war resulted in direct and indirect damages to the country’s different sectors. The repercussions resulting from Western sanctions are countless and too intertwined that it is difficult to separate direct and indirect repercussions. At the end of the day, thousands of Syrians of different ages and backgrounds suffer as a result of their inability to obtain the needed services.

For example, economic sanctions against Syria did not specifically target the country’s health sector, but they did and still do have an indirect impact on it since they are imposed on other industries, which has exacerbated the harm that has already been done to this sector over the past twelve years. By making it nearly impossible for businesses to obtain raw materials, sanctions have completely destroyed Syria's once-thriving pharmaceutical industry. This is largely due to financial sanctions that discourage suppliers and drive up costs tremendously. Even while specific people or organizations were the direct targets of these sanctions, there is a growing consensus that Syrian citizens as a whole have taken the brunt of these sanctions.

Nineteen factories in total were shut down during the war, although the bulk of them opened back up as soon as the security situation improved[[1]](#footnote-1). This has inspired other investors to apply for permits to construct new factories over the previous years, increasing the overall number of licensed factories to 92 by the end of 2019[[2]](#footnote-2). However, only a few of these are currently operating at full capacity due to the effects of the war and the imposition of economic sanctions[[3]](#footnote-3). Furthermore, costs have increased by 50% in accordance with the Ministry of Health's most recent pricing guideline[[4]](#footnote-4). As a result, many Syrian families are now forced to pick between buying food and buying medicine, with most, if not all, choosing food and forgoing their right to health in order for them and their children to survive.

Sanctions have an impact on the behavior of different stakeholders which consequently negatively affects the availability, manufacturing, and import of necessary equipment and medications. Due to concerns that the sanctions may have an impact on their flow of business, banks are refusing to open credit lines for the import of critically required medical supplies[[5]](#footnote-5). Additionally, insurance companies have been refusing to provide coverage and when they decide to grant it, the costs are intolerable[[6]](#footnote-6). Moreover, shipping companies are also refusing to carry medical supplies to Syria because they consider it a high-risk location with large corporations declining to deliver supplies medical equipment, medicines, ambulances or even baby formula[[7]](#footnote-7).

Sanctions also proved to be catastrophic when Syria was hit with a deadly earthquake earlier this year. While the earthquake of February 6th 2023 hit both Turkey and Syria at the same time, response in the two countries was very different. Small rescue teams were the only ones dispatched as of February 15, 2023 to help volunteer groups in northwest Syria. Three days after the earthquake, the first UN assistance convoy to north-western Syria made its way from Turkey through the only border crossing authorized by the UN Security Council, Bab al-Hawa. In that single convoy, no heavy search-and-rescue equipment was provided, hampering Syrian search and rescue efforts, resulting in a fewer than 6% survival rate for those trapped under the rubble[[8]](#footnote-8).

The shattered infrastructure, including undriveable roads, was one of the main reasons that aid could not be delivered to the Syrian people. One could argue that sanctions are the reason behind Syria’s inability to fix roads and other important infrastructure. If sanctions were eased over the years or a different approach was taken, roads could have been fixed and deemed drivable to deliver aid and perhaps many of Syrian earthquake victims would still be alive today.

Even the 180-day exemption that the US announced for disaster aid after the earthquake is not enough. This license does not imply that Syria will suddenly become a floodgate for restructured humanitarian aid delivery and access and this was proved by the slow deliverance of aid. And the fact that it took the US a full 3 days to reach this decision is very disturbing as many could have been saved during those first 72 hours. Moreover, the 180 days will soon be over and aid will be cut off once again, leaving the Syrian people to suffer with no alternatives.

***The Caesar Act of 2019***

The Caesar Syria Civilian Protection Act of 2019 went into effect on June 17, 2020, six months after it was signed into law. The goal of the Caesar sanctions is to financially penalize Assad and his allies for their involvement in atrocities[[9]](#footnote-9). As a result, the sanctions would primarily target providing goods, services, technology, information, or any other kind of support that would increase local production of natural gas, oil, and its derivatives[[10]](#footnote-10). The sanctions also seek to discourage foreign investors from signing contracts for post-civil war rehabilitation and reconstruction[[11]](#footnote-11). While countries such as the UAE, Indonesia and Kuwait have helped, Caesar now threatens to halt international cooperation too.

Through simple research, one can find a plethora of evidence demonstrating how sanctions usually do not achieve their goals but instead serve to further governmental interests, and the Caesar Act is no exception. Very limited to no impact can be found on the governments and its associates but a ripple effect can be visibly seen on civilians residing inside and outside Syria as well. Despite western officials claiming otherwise, the Caesar Act affects the people. The lengthy procedures imposed by the sanctions on the financial, banking, port, and other sectors raised the costs of imports and hampered the process of updating any needed equipment. Time has proved that sanctions are a collective punishment of society.

Those currently in power have been on the sanctions list for a long time and so they developed techniques over the years, to dodge these sanctions, which makes their impact very limited. Using loopholes in the legitimate tools of international financial law, many Syrian tycoons were able to survive the sanctions but the same cannot be said about the people and so insisting on imposing sanctions till 2025 will only make matters worse.

The current American administration took a step to tackle the humanitarian harm that their sanctions inflict by announcing new regulations at the end of 2022 through the Treasury Department[[12]](#footnote-12). However, given that they are primarily focused on providing exemptions to NGOs and international institutions of credit and standardizing inefficient current exemptions related to humanitarian commerce across various sanctions programmes[[13]](#footnote-13), these regulations do not go nearly far enough. They do not adequately address the numerous issues that the Syrian people deal with on a daily basis, nor do they solve the main problem with broad sanctions, namely that they indiscriminately harm the entire population in response to the actions of a relatively small number of people.

***International financial institutions’ double standards***

Another key challenge to the realization of the right to development is how international financial institutions operate through their lending programs. Taking the International Monetary Fund as an example, it has been established over time that IMF loan agreements containing structural reforms lead to an increased number of people caught in the poverty cycle because these changes tend to increase unemployment, decrease government revenue, raise the price of basic services, and restructure taxation, pensions, and social security programmes. Moreover, because borrower states have more control over their macroeconomic aims, loan agreements that support stabilization policies have less of an impact on the poor.

It was discovered that 87% of the IMF's COVID-19 loans demand stringent, additional austerity measures from developing nations who have been denied equal access to vaccines and are dealing with some of the world's worst humanitarian crises, which would only worsen poverty and inequality[[14]](#footnote-14). Additionally, it was discovered that 13 of the 15 IMF loan programmes negotiated in the second year of the pandemic require new austerity measures, such as taxes on food and fuel or spending reductions that could jeopardize essential public services, while six additional countries are being urged to adopt similar measures[[15]](#footnote-15).

It is quite regrettable that the majority of the countries subjected to austerity measures are found in Africa. Kenya, for instance, consented to a $2.3 billion loan programme in 2021 that calls for a three-year pay freeze in the public sector as well as higher taxes on food and cooking gas[[16]](#footnote-16). The worst drought Kenya has seen in decades has left more than 3 million people in the country already suffering from acute hunger with about t half of all households having to borrow food or purchase it on credit.

**In Sudan**, where over half of the population lives in poverty, subsidies on fuel were required to be eliminated which is said to disproportionately affect the most vulnerable[[17]](#footnote-17). Before the war in Ukraine began, the country was already in a state of crisis due to reductions in international funding, an unstable economy, and rising prices for necessities like food and medication. With more than 14 million people, or approximately one in every three, requiring humanitarian aid and 9.8 million suffering from food insecurity, austerity measures are the last thing the Sudanese people need[[18]](#footnote-18).

African governments were unable to combat the COVID-19 pandemic because they failed to address inequality by supporting public healthcare and education, workers' rights, and a fair tax system. By persistently promoting a policy agenda that aims to balance national budgets through reductions in public services, increases in taxes paid by the poorest, and initiatives to weaken labor rights and safeguards, the IMF has contributed to these failures. As a result, when COVID-19 hit, 52% of Africans lacked access to healthcare and 83% lacked any sort of safety net in case they lost their jobs or fell ill[[19]](#footnote-19).

What is most disturbing is that the IMF has publicly advised European countries not to jeopardize their economic recovery by adopting austerity measures but still imposes austerity measures on lower-income countries[[20]](#footnote-20). This exemplifies the IMF's double standard as it publicly advised wealthy countries against austerity while pressuring poorer countries to adopt it. Lower-income countries need assistance increasing access to social safety and basic services, not harsh conditions that diminish their citizens' quality of life.

2- UNGA report (October 2023) – “Role of businesses in realizing the right to development”

**Role of businesses in realizing the right to development**

***Possible policies, incentives and mechanisms***

Governments have a responsibility to introduce and set policies and incentives in place to encourage businesses to contribute to the effective realization of the right to development. While some of these policies already exist in our world, it is important to keep them going and add on them in order to achieve the realization of the right to development.

Governments may use their power to impose reporting and corporate social responsibility (CSR) guidelines on businesses. The adoption of responsible business practices that support the right to development should be encouraged by these principles. Information on labor conditions, community involvement, and human rights due diligence may be some of the factors, among others, that are included in these reporting obligations. Accountability can be facilitated through transparency in CSR reporting, which also enables stakeholders to assess a company's commitment to sustainable development. The lack of appropriate mechanisms however is a point of concern that remains to be a problem in a significant number of countries around the world.

As a result, the establishment of new or expansion of existing monitoring and reporting systems is necessary. More significantly, grievance mechanisms are essential for affected people to voice their concerns and seek justice. By encouraging the timely, equitable, and transparent handling of complaints, including the provision of suitable remedy where necessary, this improves risk minimization. Companies should make sure that these procedures meet the effectiveness criteria set by the UN Guiding Principles, which are frequently not met in a number of industries.

Without the right accountability mechanisms, there would be no relevant authority to ensure that the strategies businesses come up with are in line with human rights standards and they will be free to do whatever they want which may include activities that would result in human rights violations. To establish these mechanisms, there is a great need for stronger collaboration between different stakeholders including the government, businesses, and civil society, in order to achieve meaningful change.

Governments can provide incentives and tax benefits to businesses that demonstrate a commitment to sustainable development and the realization of the right to development. An example of that would be granting tax deductions for socially responsible investments and offering grants for projects that benefit local communities, especially vulnerable and marginalized communities. Moreover, preferential treatment could be given to businesses that prioritize environmental sustainability and human rights in their operations.

Governments can also support small and medium-sized enterprises (SMEs) as they are important drivers of economic growth and can play a significant role in promoting the right to development. Governments can introduce policies and programs that support SMEs, including access to finance, technical assistance, and capacity-building initiatives. Supporting SMEs can enhance their ability to contribute to local economic development, create employment opportunities, and foster inclusive growth. Special attention should be paid to SMEs that are owned or run by vulnerable groups such as women, youth, or minority groups.

Sector-specific regulations must be implemented in order to address specific issues and promote sustainable practices as some industries and sectors may demand more control than others. Regulations may be implemented, for instance, to limit an industry's negative environmental impact, guarantee the ethical procurement of natural resources, or advance labor rights in a particular industry. Such rules can set minimum requirements, support innovation, and encourage ethically responsible corporate practices.

**Recommendations**

Due to the obvious and consistent effects of economic sanctions on people’s right to development Maat recommends the conduction of a pre-assessment study to determine how specific sanctions will affect the demographic that is being targeted. Such research would provide advice to the international authority imposing the sanction on the potential humanitarian impact of the proposed sanctions as well as from the perspective of enforcement and effectiveness.

Even though it is stated that economic sanctions do not impede humanitarian aid, including food and medication, they frequently do so in reality. Because of this, rules for sanctions must clearly allow exceptions for all foods, medications, and other humanitarian supplies. Sanctions must also cover the financing and delivery of these commodities.

On a similar note, the Security Council must review sanctions on a regular basis while using regular indicators in the monitoring process to evaluate the humanitarian impact and other parts of the impact. It is important to make monitoring reports available to the public. In the context of sanctions, more accountability and transparency are required. This might take the shape of regularly planned meetings of the sanction committees, open discussions with relevant stakeholders, such as civil society, and public reporting on their activities.

When it comes to international financial institutions, local communities and civil society organizations ought to have a stronger voice and participate in decision-making processes. Participatory mechanisms that enable genuine interaction, consultations, and public dialogue between the different stakeholders can be used to accomplish this. Civil society involvement can aid in holding institutions responsible and guarantee that the interests and concerns of affected communities are met.

Another recommendation regarding international financial institutions is that they must integrate sustainable development principles into their lending and investment policies. This involves prioritizing investments that advance the objectives of sustainable development and evaluating the social, economic, and environmental effects of projects. By ensuring that projects do not harm local residents or the environment, strong environmental and social protections can help avoid exploitation.

More importantly, there is a need for comprehensive reforms in the international financial architecture to address the power imbalances and ensure fair representation of developing countries. This may involve reforming voting rights, decision-making processes, and governance structures of international financial institutions to better reflect the interests of borrowing countries.

1. # Ghisn, Ziad. “How economic sanctions negatively affect the health sector in Syria: a case study of the pharmaceutical industry.” LSE, 16 April 2020,<https://bit.ly/42atejv>**.**

   [↑](#footnote-ref-1)
2. Ibid. [↑](#footnote-ref-2)
3. Ibid. [↑](#footnote-ref-3)
4. Ibid. [↑](#footnote-ref-4)
5. Ibid. [↑](#footnote-ref-5)
6. Ibid. [↑](#footnote-ref-6)
7. Ibid.

   [↑](#footnote-ref-7)
8. Dube, Nonhlanhla. “Turkey-Syria earthquake: why it is so difficult to get rescue and relief to where it is most needed.” The Conversation, 10 February 2023, <https://bit.ly/41bR3Gu>. [↑](#footnote-ref-8)
9. Edmondson, Catie. “Congress Prepares to Hit Assad With New Sanctions for War Crimes.” New York Times, 16 December 2019, <https://nyti.ms/3B4hPpu>. [↑](#footnote-ref-9)
10. Ibid. [↑](#footnote-ref-10)
11. Ibid. [↑](#footnote-ref-11)
12. Larison, Daniel. “Lifting sanctions on Syria after devastating earthquake.” Responsible Statecraft, February 8 2023, <https://bit.ly/42avwPD>. [↑](#footnote-ref-12)
13. Ibid. [↑](#footnote-ref-13)
14. Anonymous. “IMF must abandon demands for austerity as cost-of-living crisis drives up hunger and poverty worldwide.” Oxfam, 19 April 2022, <https://bit.ly/3MX3zES>. [↑](#footnote-ref-14)
15. Ibid. [↑](#footnote-ref-15)
16. Ibid. [↑](#footnote-ref-16)
17. Ibid. [↑](#footnote-ref-17)
18. Ibid. [↑](#footnote-ref-18)
19. Ibid. [↑](#footnote-ref-19)
20. Ibid. [↑](#footnote-ref-20)