



Mandate of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights

Juan Pablo Bohoslavsky

Call for contributions

**Guidance on human rights impact assessments
for economic reform policies**

Human Rights Council resolution [34/3](#) adopted on 23 March 2017 requested the Independent Expert on foreign debt and human rights to develop guiding principles for human rights impact assessments for economic reform policies, in consultation with States, international financial institutions and other relevant stakeholders. The Independent Expert wants to implement this mandate in a participatory manner in close collaboration with experts from States, international financial institutions and other human rights mechanisms, practitioners and professional organizations working in the field of social and human rights impact assessment, National Human Rights Institutions, civil society organizations and scholars working in the field of human rights, social or economic policy. The ambition of the guiding principles is not to develop new human rights standards, but to provide effective and practical guidance and tools to different stakeholders for assessing economic reform policies on the basis of existing human rights standards.

I. Background

Structural reform policies and austerity measures implemented to restore debt sustainability and macroeconomic stability have often raised concerns about **adverse human rights impacts**. Such economic reform policies have frequently included – among others - budget cuts affecting public health care, education and other social services, regressive tax policies, labour market and pension reform, and the privatization of public services or state-owned assets and enterprises. In several countries they have reportedly contributed to increased poverty, homelessness and unemployment; reduced access to health care, social security, adequate housing, food or education; or made essential public services unaffordable for certain population groups. There are also concerns that such programmes have contributed to **discriminatory outcomes** for some groups, or further entrenched **income and gender inequalities**.¹

Human rights harm can and should be avoided in responses to economic and financial crises by designing policies in line with human rights norms and by ensuring effective monitoring and accountability mechanisms.

A first and crucial step should be to assess whether viable human rights compliant policy alternatives to austerity measures are available to Governments and international financial institutions to offset the need for consolidation. Austerity policies that undermine aggregate demand and reduce the income of

¹ See for example reports by the High Commissioner [E/2013/82](#); and from various Special procedures [A/HRC/17/34](#), [A/HRC/17/34/Add.2](#) (Ireland); [A/HRC/25/54/Add.2](#) (United Kingdom) ; [A/HRC/23/37/Add.1](#) (Latvia), [A/HRC/25/50/Add.1](#), [A/HRC/31/60/Add.2](#) (Greece), [A/HRC/34/57/Add.1](#) (European Union).

citizens have all too often failed to trigger higher economic growth and employment, or not been successful in reducing public debt to more sustainable levels. Adjustment policies have not only caused harsh short-term economic and social impacts, they unfortunately have remained very often as well disappointing in the mid- or long term. Therefore it is necessary to analyse from a human rights perspective whether financial stability and macroeconomic discipline cannot be ensured through other means, like increasing Government revenues through inclusive growth stimulating public investment, curbing tax avoidance and evasion or improved and fairer taxation policies.

A second step should be to ensure the participation of citizens in public decision making. If no alternative option is available, the reform measures need to ensure the participation of citizens in democratic decision making. This is essential to ensure that they respond to the concerns and needs of citizens. Economic reform programmes that enjoy social consensus and are based on local ownership are also more likely to be implemented successfully.

A third step should be to design economic reform measures in ways to prevent adverse human rights impacts. For example, human rights infringements could be mitigated by avoiding spending cuts on human rights sensitive programmes or sectors; by increasing the efficiency of public services in a manner that ensures accessibility and affordability of essential health care, education, food, housing, energy or water and sanitation services for all; or by ensuring that adequate social security systems are in place that cover all individuals requiring protection. A final step could involve monitoring the implementation of fiscal consolidation and structural reforms to prevent human rights impacts.

The Independent Expert on foreign debt and human rights, alongside international and regional human rights mechanisms have repeatedly recommended States or international financial institutions to carry out human rights impact assessments to prevent and mitigate harm caused by adjustment programmes or austerity measures.² The **Guiding Principles on foreign debt and human rights** ([A/HRC/20/23](#), Annex, para 12-14 and 40-41) and the **Guiding Principles on extreme poverty and human rights** ([A/HRC/21/39](#), para. 92) enjoin States and international financial institutions to carry out human rights impact assessments in relation to their policies. In June 2016, the Committee on Economic, Social and Cultural Rights issued a **statement on public debt and austerity** ([E/C.12/2016/1](#)) reiterating the need to carry out human rights impact assessments and outlining the human rights obligations of borrowing and lending States and international financial institutions in such contexts.

While the above mentioned guiding principles, statements and recommendations have highlighted key human rights principles and standards against which adjustment policies should be reviewed, there is a need to develop more practical guidance on how to design and implement a human rights impact assessment in practice.

There is a **growing body of literature on human rights impact assessments** for development cooperation policies, business activities, or in relation to agriculture, health and international trade policies and agreements. However, there is not much guidance on how such impact assessments should be carried out in the context of structural adjustment and financial consolidation policies.

² See for example recent reports of the Independent Expert, [A/HRC/31/60/Add.2](#), paras 81 (a), 83 (b); [A/HRC/34/57/Add.1](#), para 83; [E/C.12/PRT/CO/4](#), para 20; [CRC/C/GRC/CO/2-3](#), para. 29; [CEDAW/C/GRC/CO/7](#), para. 40; [E/C.12/GRC/CO/2](#), paras. 14, 24 and 32.

There is also a need to better integrate human rights impact assessment methodologies into existing social impact assessment policies and tools used by international financial institutions.³

In order to fill this gap, the Independent Expert will elaborate methodological guidance for carrying out human rights impact assessments for structural adjustment, austerity and fiscal consolidation policies. The guidance will be developed by the Independent Expert in collaboration with relevant stakeholders and experts, tested, revised and ultimately be submitted to the Human Rights Council for its consideration.

As a first step, the Independent Expert will undertake a mapping of existing human rights impact assessment tools and guidance documents that could or have already been applied in the context of economic reform, austerity and fiscal consolidation policies. He therefore invites **Governments, international organizations and international financial institutions, national human rights institutions, civil society organizations, academics and practitioners** to share information about relevant standards, tools and examples that could be useful for developing such guidance.

Information submitted will inform a public hearing and expert meeting and the Independent Expert's next thematic report to the Human Rights Council presented in March 2018.

II. Call for contributions

Stakeholders are invited to share with the Independent Expert the following information:

1. Reports and materials on human rights impacts of fiscal consolidation policies

Please kindly share any documentation analysing social or human rights impacts of economic reform policies, austerity measures or any other reform policy mentioned below. This can include studies focusing on human rights impacts on particular social groups such as women, children, persons with disabilities, migrants, minorities or indigenous peoples.

2. Mapping of social and human rights impact assessment tools and standards

Please share relevant **human rights or social impact assessment standards, tools, handbooks** or any existing guidance you may be aware of to assess impacts of economic reform policies and financial consolidation policies, for example in the areas of:

- social welfare /social security and pension reform;
- public health care reform;
- public education reform;
- taxation reform;
- housing policies, including impact of changes of fees of public service providers, such as water, electricity;
- labour market reform;
- privatization of public enterprises and services;
- cuts to subsidies for food or energy;

³ See World Bank; World Bank: A User's Guide to Poverty and Social Impact Analysis, Washington DC, 2003; European Commission: Guidance for assessing Social Impacts within the Commission Impact Assessment System, 2009, Ref. Ares(2009)326974 .

- any other relevant tools or studies that may be useful to assess the social or human rights impact of policies aimed at containing or reducing public spending or increasing tax revenue.

3. Examples of human rights impact assessments

Please submit **examples of human rights or social impact assessments** that have been carried out by governmental, non-governmental and/or international stakeholders and that may be useful for the design of the guidance.

4. Lessons learnt

Please share any information about **lessons learnt** from designing and/or carrying out such impact assessments.

5. Proposals in relation to content and structure of the guidelines/guidance

Please submit any **proposals** relating to the content and structure of the guidelines.

- What are the **main impacts** of economic reform and financial consolidation policies that should be subjected to human rights impact assessment?
- What **issues** and **policy fields** should be covered by the guidance?
- **How** should the human rights impact assessment be carried out (step by step methodology)?
- How can **gender impacts** and impacts on other **social groups**, in particular groups in situation of vulnerability, be adequately covered?
- How can **public participation** in the design of economic reform policies and in carrying out related impact assessments be ensured?
- What quantitative and qualitative **data collection tools** are needed for analysing human rights impacts of structural adjustment and financial consolidation policies?
- What **indicators** are needed or should be used to assess and monitor their human rights impacts?
- How should the guidelines or guidance **be tailored** to different stakeholders, such as lenders and borrowers, government departments, international financial institutions, National Human Rights Institutions, non-governmental organisations and professionals carrying out impact assessments?
- How can it be ensured that human rights impact assessments carried out **feed into decision making**?

Submissions received will be published on the website of the Independent Expert on foreign debt and human rights, unless it is indicated that the submission or some of the supporting documentation provided should be kept confidential.

The Independent Expert is looking forward to receiving your submission **by 31 July 2017** at: ieforeigndebt@ohchr.org

You may also contact the support team of the Independent Expert on foreign debt and human rights at the above mentioned e-mail address if you have further questions about this project.