



### **Integrating Human Rights in Financing for Development, 15 July 2015**

Remarks by Tessa Khan, Asia Pacific Forum on Women, Law and Development

I want to start with a reminder of the context in which these negotiations are taking place. This Conference is unfolding in a world in which 2.5 billion people live on less than \$2.50 a day, an amount with which they're expected to secure sufficient food, housing, healthcare and education. More than 1 billion live on less than \$1.25 a day, the internationally accepted threshold for extreme poverty but a threshold that falls well below anything resembling a life of dignity. It's also a world in which the 300 wealthiest people have more wealth than the poorest 3 billion people combined; and in which, in every country, women and girls bear the greatest burden of poverty. This scale of deprivation and inequality signifies, in the words of the UN Committee on Economic, Social and Cultural Rights, massive and systemic breaches of almost all international human rights instruments, including the Universal Declaration on Human Rights. And that's to say nothing of what this means for our more basic notions of justice, decency and fairness.

The mandate of this Conference, which was originally to promote development in the global South, is therefore at its heart about enabling the realisation of human rights and equality. As the preceding months of negotiations have shown, the way that this Conference will affect the realisation of human rights is as much about how it defines national and international policy space as it is about explicit commitments to human rights or indeed to actual financing.

Looking at the language of the text, we find a number of references to human rights and gender equality, including the right to development; women's equal rights to economic resources; labour rights, including decent work; social protection; and the rights of migrants. There are also, of course, an impressive number of references to sustainable and inclusive development, with all of the attendant commitments that that entails to the social pillar.

But the strength of these commitments needs to be tested in the context of the rest of the Addis Ababa Action Agenda, which exposes a basic lack of coherence between these binding human rights obligations and the broader approach it endorses to financing for development. This is the case in almost all dimensions of the agenda, including the role of private finance, international trade, debt management, tax cooperation and other systemic issues.

With respect to international trade, the Agenda endorses trade without qualification as "an engine of inclusive economic growth and poverty reduction". This is despite profound imbalances in the global trading system, including global value chains in which the exploitation of women's labour and their precarious employment is seen as source of competitive advantage; agricultural subsidies in developed countries that threaten the livelihoods of small farmers in developing countries; and the current impasse over whether it is permissible under WTO rules for governments to engage in public stockholding for the sake of domestic food security. Moreover, the Agenda has dropped

previous language committing to a proper review of investor-state dispute settlement clauses, which are used by foreign investors to sue governments for regulating to fulfil human rights or attempting to correct the distributive consequences of trade, including a recent challenge by a transnational company to an increase in the minimum wage in Egypt. Indeed, one wonders how valuable a commitment to women's equal access to land is when there is nothing to challenge the large-scale, un-transparent acquisition of land that is so frequently facilitated by trade and investment frameworks. Nor is the role of multilateral development banks, which have been repeatedly shown to support large-scale investments that take advantage of weak human rights and social protections, likely to change under this Agenda, which encourages the establishment of safeguards that are "efficient" and "time-sensitive."

Contrary to the right of citizens to participate in public affairs, the Action Agenda also does nothing to challenge the closed negotiation of major trade agreements, instead perversely committing governments to implement, rather than negotiate, these agreements transparently. Nor is there any reference to the need for human rights impact assessments of trade agreements. While there is a reference to sustainable development impact assessments, unlike human rights impact assessments, these have no clear normative content.

The Agenda also places an extraordinary amount of confidence in the private sector to bridge the apparent gap in the resources necessary for sustainable development. To mitigate the fact that the private sector has no incentive, unlike governments, to invest in global public goods, human rights, or to invest with the necessary long-term horizons, the Agenda suggests—but doesn't require—that governments adopt frameworks to adjust private sector incentives, referring to both the UN Guiding Principles and other voluntary standards. This seems fundamentally insufficient in light of evaluations of public-private partnerships which illustrate, for example, that PPPs frequently lead to price-based exclusion of the poorest and most vulnerable. Moreover, there is no accountability for the impacts of private sector activity in this context, nor is there so much as a reference to the process in the UN Human Rights Council to elaborate a binding framework for TNCs and other business enterprises that is intended to partially remedy this absence of accountability. Even more tellingly, the Agenda is much more strident in encouraging governments to regulate in favour of enabling private sector activity, which effectively is a commitment to deregulate.

Without wishing to pre-empt the remarks of my fellow panellists on the Agenda's treatment of debt, tax cooperation and other systemic issues, it is important to note that the outcome document does almost nothing to advance the unfinished business of financial sector regulation after the 2008 crisis, or indeed to protect us from the next financial crisis. Given that the 2008 crisis pushed an additional 60 million people into extreme poverty, the lack of clear progress on systemic issues is cause for grave concern. It is of particular concern for women and girls, who act as stabilisers and shock absorbers during periods of economic crisis, when social safety nets are often compromised. This Agenda also represents a regression from the Doha Declaration in terms of a shift away from advocating for universal access to inclusive social services to a "new social compact" that obscures the fact that States are already under an obligation to fulfil a human right to social security.

In this and the other ways I've outlined, this Agenda largely fails to uphold the extraterritorial human rights obligations of governments, a central element of which is the obligation of international assistance and cooperation to fulfil human rights. This is not

only contrary to international human rights law, but also the principle of international solidarity on which the global partnership for development is founded. Without the fulfilment of this and all other interdependent, indivisible human rights, this Agenda will do little to advance sustainable, inclusive or equitable development.