Impact of the financial and economic crisis on human rights

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The Committee on Foreign Affairs adopted the own-initiative report by Inese VAIDERE (ALDE, LV) on the impact of the financial and economic crisis on human rights.

Members recall that not only economic and social rights but also political rights are affected as reflected, in particular, by popular protests such as those which took place in North Africa and the Middle East in 2011. Although the impact of the crisis on civil and political rights has yet to be fully evaluated, it is clear that it has magnified social unrest, leading sometimes to violent repression.

The crisis has also had an impact on development aid: the EU's collective ODA decreased from EUR 53.5 billion in 2010 to EUR 53.1 billion in 2011, bringing the EU ODA level to 0.42% of GNI, down from the 2010 outcome of 0.44% of GNI.

In this context, Members recall their determination to defend and promote human rights and fundamental freedoms. These rights include the right to food, water, education, adequate housing, land, decent work, health and social security. They reaffirm that while the global economic crisis poses a severe threat to the fulfilment of economic, social and cultural (ESC) rights, there is **no justification for states, whatever their level of income, to compromise on their obligation to respect fundamental human rights**. In this perspective, particular attention needs to be paid to vulnerable groups, especially the poor, women and children.

Strengthening European aid: in view of the crisis, Members emphasise the need to offer steady support to projects financed by the European Instrument for Human Rights and Democracy (EIDHR) for human rights defenders. They urge the EU and its Member States to **maintain and deliver on their existing bilateral and multilateral ODA commitments** and on the targets identified, especially by addressing those areas which suffer from a lack of progress at present (basic services, for example). They urge the Commission, the EEAS and the Member States to model crisis responses and development policy on a human rights-based approach, as set out in the European Parliament's resolution on the Commission's Communication 'The Agenda for change: the future of EU development policy'.

Stressing the importance of policy coherence in relation to development aid, Members reiterate that **budget support to partner countries** and all trade agreements should be conditional on respect for human rights and democracy in the partner countries. They take the view that donors and lenders should, in particular, respond in a coordinated manner to reported cases of fraud and corruption. For their part, developing countries should use trade preferences afforded by the EU within the Generalised System of Preferences (GSP) framework in order to boost their economy, diversify their exports and improve their competitiveness.

Focus on the poorest countries: Members welcome the refocusing of the EU's aid towards least developed countries. They call on the international community to provide adequate assistance to governments in sub-Saharan Africa in order to prevent the financial crisis worsening the humanitarian crisis in some countries in the region.

They also call on governments to:

- take all possible measures to reduce extremes in income inequality;
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- elaborate social protection schemes, such as Brazil's *bolsa familia* or demand-driven public works schemes like India's National Rural Employment Guarantee Scheme (NREGS).

Combating food insecurity: Members recall that 868 million people are suffering from chronic malnutrition, with the vast majority (850 million people) living in developing countries. They call for measures to combat food insecurity and invite governments to **support small-scale food producers**, especially women and agricultural cooperatives, which are the most effective in reducing extreme poverty. They also call on governments to prevent national and international financial speculators investing in land from having a negative impact on small-scale farmers and local producers by causing displacement, environmental problems and food and income insecurity. In parallel, they remind governments and the private sector alike to respect informal and traditional land ownership, as well as land-use rights; stresses that vulnerable groups such as indigenous peoples are most in need of protection, as land is often the only resource from which they can derive their subsistence.

Members urge governments **not to cut or limit food subsidies** since these subsidies can limit the prevalence of hunger and improve nutrition in recipient households. They also call for more transparency on the commodity markets to avoid price volatility of agrarian raw materials.

Combating unemployment: Members indicate that unemployment rose by 27 million since the beginning of the crisis in 2008 and that young people are particularly badly hit. Once again, they express their support for the global introduction of a **financial transaction tax**, which can be an innovative financing mechanism for development, ultimately contributing to the universal fulfilment of economic and social rights. They encourage all Member States to support the EU budget proposal for a financial transaction tax.

In addition, Members call for:

- an increase in the competitiveness of enterprises in developing countries;
- an expansion in school access and lower school costs;
- child protection support measures.

Fighting discrimination: Members call, as a matter of urgency, for the enforcement of policies and practices **ensuring that more women enter the labour market.** They reiterate the fact that education for girls and women and gender empowerment are essential. Measures in favour of the aged are also called for, such as better access to healthcare, as well as measures to combat human trafficking.

Post-2015: Members recall that 2015 is the date when the Millennium Development Goals were to have been achieved, something which is unlikely to materialise. They consider that after 2015, **priority should be given to the universal implementation of human rights**, taking into consideration the impact of the financial and economic crisis, notably on the poorest and the most vulnerable. They call for further research and analysis on the impact of the financial and economic crisis on various regions, including in the EU and in its relations with third countries, in order to improve the development aid policy responses.

Lastly, they call on the Commission and the Member States to provide financial support for the UN innovation laboratory 'Global Pulse', which is working in this particular context.