



# General Assembly

Distr.: General  
20 April 2016

Original: English

---

## Human Rights Council

Thirty-first session

Agenda item 3

### Resolution adopted by the Human Rights Council on 23 March 2016

**31/11. 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**

*The Human Rights Council,*

*Guided* by the Charter of the United Nations, the Universal Declaration of Human Rights, the Vienna Declaration and Programme of Action and other relevant international human rights instruments,

*Reaffirming* all resolutions and decisions adopted by the Commission on Human Rights and the Human Rights Council on the effects of structural adjustment and economic reform policies and foreign debt on the full enjoyment of all human rights, particularly economic, social and cultural rights, the latest being Council resolution 28/8 of 26 March 2015,

*Reaffirming also* its resolutions 25/9 of 27 March 2014 and 28/5 of 26 March 2015,

*Reaffirming further* its resolution S-10/1 of 23 February 2009 on the impact of the global economic and financial crises on the universal realization and effective enjoyment of human rights,

*Bearing in mind* paragraph 6 of General Assembly resolution 60/251 of 15 March 2006,

*Stressing* that one of the purposes of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character,

*Emphasizing* that the World Conference on Human Rights agreed to call upon the international community to make all efforts to help to alleviate the external debt burden of developing countries in order to supplement the efforts of the Governments of such countries to attain the full realization of the economic, social and cultural rights of their people,



*Mindful* of the role, mandate and activities of other United Nations agencies, funds and programmes in dealing with the issues of foreign debt and international financial obligations,

*Acknowledging* that there is greater acceptance that the increasing debt burden faced by the most indebted developing countries, in particular the least developed countries, is unsustainable and constitutes one of the principal obstacles to achieving progress in people-centred sustainable development and poverty eradication and that, for many developing countries and countries with economies in transition, excessive debt servicing has severely constrained their capacity to promote social development and to provide basic services to create the conditions for the realization of economic, social and cultural rights,

*Expressing its concern* that, despite repeated rescheduling of debt, developing countries continue to pay out more each year than the actual amount they receive in official development assistance,

*Recognizing* the sovereign right of any State to restructure its sovereign debt, which should not be frustrated or impeded by any measure emanating from another State,

*Emphasizing* that inequality often contributes to social exclusion and the marginalization of certain groups and individuals,

*Recognizing* that inequality may contribute to the occurrence of financial crises, which in turn exacerbate inequality and adversely affect human rights,

*Acknowledging* that financial and economic crises generally have enormous distributional consequences, and that such crises and the austerity measures adopted in response to them may also have, according to the circumstances, a robust negative social impact that, in turn, perpetuates or exacerbates inequality,

*Acknowledging also* that a world financial and economic crisis is still threatening debt sustainability in some developing countries through, inter alia, its impact on the real economy and the increase in borrowing undertaken in order to mitigate the negative impacts of the crisis and that the austerity measures adopted in response to that crisis have had a robust social impact that has perpetuated or exacerbated inequality,

*Recognizing* that illicit financial flows, including tax evasion by high-net-worth individuals, commercial tax evasion through trade misinvoicing and tax avoidance by transnational corporations, contribute to the build-up of unsustainable debt, as Governments lacking domestic revenue may resort to external borrowing,

*Affirming* that the debt burden further complicates the numerous problems facing developing countries, contributes to extreme poverty and is an obstacle to sustainable human development, and is thus a serious impediment to the realization of all human rights, in particular the right to development,

1. *Takes note with appreciation* of the reports 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,<sup>1</sup> and welcomes the work and contributions of the Independent Expert;

2. *Recalls* that every State has the primary responsibility to promote the economic, social and cultural development of its people and, to that end, has the right and responsibility to choose its means and goals of development and should not be subject to external specific prescriptions for economic policy;

---

<sup>1</sup> A/HRC/31/60 and A/HRC/31/61.

3. *Recognizes* that structural adjustment reform programmes and policy conditionalities limit public expenditure, impose fixed expenditure ceilings and give inadequate attention to the provision of social services, and that only a few countries manage to achieve sustainable higher growth under these programmes;

4. *Reaffirms* the fact that responses to the global financial and economic crises should not result in a decrease in debt relief, nor should they be used as an excuse to stop debt relief measures, as that would have negative implications for the enjoyment of human rights in affected countries;

5. *Urges* States, international organizations and financial institutions to implement urgently financial market reforms in order to combat and prevent financial instability, excessive debt and financial crises;

6. *Expresses its concern* that the level to which the overall debt stock under the enhanced Heavily Indebted Poor Countries Initiative is still low, that the Initiative is not intended to offer a comprehensive solution to the long-term debt burden and that some of the countries that have received debt relief are again at high risk of debt distress;

7. *Reiterates its conviction* that, for heavily indebted poor countries to achieve debt sustainability, long-term growth and poverty reduction goals, the debt relief under the above-mentioned initiative will not be sufficient and that additional resource transfers, in the form of grants and concessional loans and the removal of trade barriers and better prices for their exports, would be required to ensure sustainability and permanent exit from debt overhang;

8. *Regrets* the absence of mechanisms to find appropriate solutions to the unsustainable foreign debt burden of low- and middle-income heavily indebted countries, and that, to date, little headway has been made in redressing the unfairness of the current system of debt resolution, which continues to place the interests of the lenders above those of indebted countries and the poor in those countries, and therefore calls for an intensification of efforts to devise effective and equitable mechanisms to cancel or reduce substantially the foreign debt burden of all developing countries, in particular those severely affected by the devastation of natural disasters, such as tsunamis and hurricanes, and by armed conflicts;

9. *Acknowledges* that, in least developed countries and in several low- and middle-income countries, unsustainable levels of external debt continue to create a considerable barrier to economic and social development;

10. *Recognizes* that debt relief can play a key role in liberating resources that should be directed towards activities consistent with attaining sustainable growth and development, including poverty reduction and the achievement of the 2030 Agenda for Sustainable Development,<sup>2</sup> and therefore that debt relief measures, where appropriate, should be pursued vigorously and expeditiously, ensuring that they do not replace alternative sources of financing and that they are accompanied by an increase in official development assistance;

11. *Calls for* consistent public spending policies that ensure full compliance with the human rights obligations of States and for those policies to take into account the fact that the human rights of the poorest and most vulnerable must be respected, protected and fulfilled;

---

<sup>2</sup> General Assembly resolution 70/1.

12. *Recalls once again* the call on industrialized countries to implement the enhanced programme of debt relief without further delay and to agree to cancel all the official bilateral debt of those countries in return for their making demonstrable commitments to poverty reduction;

13. *Urges* the international community, including the United Nations system, the Bretton Woods institutions and the private sector, to take appropriate measures and actions for the implementation of the pledges, commitments, agreements and decisions of major United Nations conferences and summits, including the Millennium Summit, the World Conference on Human Rights, the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance, the World Conference on Sustainable Development and the International Conference on Financing for Development, in particular those relating to the question of the external debt problem of developing countries, in particular of heavily indebted poor countries, least developed countries and countries with economies in transition;

14. *Recalls* the pledge contained in the Political Declaration annexed to General Assembly resolution S-24/2, adopted on 1 July 2000 by the Assembly, to find effective, equitable, development-oriented and durable solutions to the external debt and debt-servicing burdens of developing countries;

15. *Stresses* the need for the economic reform programmes arising from foreign debt to be country-driven and for any negotiations and conclusion of debt relief and new loan agreements to be formulated with public knowledge and transparency, with legislative frameworks, institutional arrangements and mechanisms for consultation being established to ensure the effective participation of all components of society, including people's legislative bodies and human rights institutions, and particularly of the most vulnerable or disadvantaged, in the design, application and evaluation of strategies, policies and programmes, as well as in the follow-up to and systematic national supervision of their implementation, and for macroeconomic and financial policy issues to be integrated, on an equal footing and in a consistent way, in the realization of broader social development goals, taking into account the national context and the priorities and needs of the debtor countries to allocate resources in a way that ensures balanced development conducive to the overall realization of human rights;

16. *Also stresses* that the economic reform programmes arising from foreign debt should maximize the policy space of developing countries in pursuing their national development efforts, taking into account the views of relevant stakeholders in a way that ensures balanced development conducive to the overall realization of all human rights;

17. *Further stresses* that the economic programmes arising from foreign debt relief and cancellation must not reproduce past structural adjustment policies that have not worked, such as dogmatic demands for privatization and reduced public services;

18. *Calls upon* States, the International Monetary Fund and the World Bank to continue to cooperate closely to ensure that additional resources made available through the Heavily Indebted Poor Countries Initiative, the Global Fund to Fight AIDS, Tuberculosis and Malaria and other new initiatives are absorbed in the recipient countries without affecting ongoing programmes;

19. *Calls upon* creditors, particularly international financial institutions, and debtors alike to consider the preparation of human rights impact assessments with regard to development projects, loan agreements or poverty reduction strategy papers;

20. *Reaffirms* the fact that the exercise of the basic rights of the people of debtor countries to food, housing, clothing, employment, education, health services and a healthy

environment cannot be subordinated to the implementation of structural adjustment policies, growth programmes and economic reforms arising from the debt;

21. *Urges* States, international financial institutions and the private sector to take urgent measures to alleviate the debt problem of those developing countries particularly affected by HIV/AIDS so that more financial resources may be released and used for health care, research and treatment of the population in the affected countries;

22. *Reiterates* its view that, in order to find a durable solution to the debt problem and for the consideration of any new debt resolution mechanism, there is a need for a broad political dialogue between creditor and debtor countries and the multilateral financial institutions, within the United Nations system, based on the principle of shared interests and responsibilities;

23. *Encourages* States to explore further avenues for reforming parts of their legal systems with a view to developing a more equitable taxation system;

24. *Also encourages* States to continue to consider improved approaches to restructuring sovereign debt, taking into account the Basic Principles on Sovereign Debt Restructuring Processes and the work carried out by international financial institutions, in accordance with their respective mandates;

25. *Reiterates* its request to the United Nations High Commissioner for Human Rights to pay more attention to the problem of the debt burden of developing countries, in particular of least developed countries, and especially the social impact of the measures arising from foreign debt;

26. *Requests* the Independent Expert to continue to explore the interlinkages with trade and other issues, including HIV/AIDS, when examining the impact of structural adjustment and foreign debt, and also to contribute, as appropriate, to the process entrusted with the follow-up to the International Conference on Financing for Development with a view to bringing to its attention the issue of the effects of structural adjustment and foreign debt on the enjoyment of human rights, particularly economic, social and cultural rights;

27. *Encourages* the Independent Expert to continue to cooperate, in accordance with his mandate, with the Committee on Economic, Social and Cultural Rights, special rapporteurs, independent experts and members of the expert working groups of the Human Rights Council and its Advisory Committee on issues relating to economic, social and cultural rights and the right to development in his work;

28. *Requests* the Independent Expert to report to the General Assembly on the issue of 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;

29. *Requests* the Secretary-General to provide the Independent Expert with all necessary assistance, in particular all the staff and resources required to carry out his functions;

30. *Urges* Governments, international organizations, international financial institutions, non-governmental organizations and the private sector to cooperate fully with the Independent Expert in the discharge of the mandate;

31. *Requests* the Independent Expert to submit a report on the implementation of the present resolution to the Human Rights Council at its thirty-fourth session;

32. *Decides* to continue its consideration of this matter at its thirty-fourth session under the same agenda item.

*62nd meeting*

23 March 2016

[Adopted by a recorded vote of 33 to 12, with 2 abstentions. The voting was as follows:

*In favour:*

Algeria, Bangladesh, Bolivia (Plurinational State of), Botswana, Burundi, China, Congo, Côte d'Ivoire, Cuba, Ecuador, El Salvador, Ethiopia, Ghana, India, Indonesia, Kenya, Kyrgyzstan, Maldives, Mongolia, Morocco, Namibia, Nigeria, Panama, Paraguay, Philippines, Qatar, Russian Federation, Saudi Arabia, South Africa, Togo, United Arab Emirates, Venezuela (Bolivarian Republic of), Viet Nam

*Against:*

Albania, Belgium, France, Germany, Latvia, Netherlands, Portugal, Republic of Korea, Slovenia, Switzerland, the former Yugoslav Republic of Macedonia, United Kingdom of Great Britain and Northern Ireland

*Abstaining:*

Georgia, Mexico]

---