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**IMPLEMENTATION OF HUMAN RIGHTS COUNCIL RESOLUTION 10/29
OF 27 MARCH 2009 ENTITLED “THE SOCIAL FORUM”**

**Background report submitted by the United Nations High Commissioner
for Human Rights pursuant to paragraph 9 of Human Rights Council
resolution 10/29 entitled “The Social Forum”***

* Late submission.

Summary

This report is submitted in accordance with paragraph 9 of Human Rights Council resolution 10/29, in which the Council requested the High Commissioner for Human Rights to consult all actors identified in the resolution on the three issues listed in paragraph 5 and to present a report as a background contribution for the dialogues and debates that will be held at the 2009 Social Forum.

Following an introduction and a discussion of organizational matters, section III deals with the negative impacts of economic and financial crises on efforts to combat poverty; section IV with the best practices of Member States in implementing social security programmes from a human rights perspective; and section V with international assistance and cooperation in combating poverty. Section VI contains a summary of inputs received from Member States and civil society in response to a note verbale sent on 7 May 2009. Sections III, IV and V provide a substantive overview of their respective issues with the benefit of inputs from the United Nations Department of Economic and Social Affairs, UNICEF, the International Labour Organization, the Food and Agriculture Organization of the United Nations and the independent expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of human rights, particularly economic, social and cultural rights. The report concludes by mentioning aspects of the respective issues for further consideration during the 2009 Social Forum.

CONTENTS

	<i>Paragraphs</i>	<i>Page</i>
I. INTRODUCTION	1 - 6	4
II. ORGANIZATION OF THE SOCIAL FORUM	7 - 9	5
III. NEGATIVE IMPACTS OF ECONOMIC AND FINANCIAL CRISES ON EFFORTS TO COMBAT POVERTY	10 - 22	5
IV. NATIONAL ANTI-POVERTY PROGRAMMES: BEST PRACTICES OF MEMBER STATES IN IMPLEMENTING SOCIAL SECURITY PROGRAMMES FROM A HUMAN RIGHTS PERSPECTIVE	23 - 31	9
V. INTERNATIONAL ASSISTANCE AND COOPERATION IN COMBATING POVERTY	32 - 44	14
VI. CONSULTATION WITH MEMBER STATES AND OTHER STAKEHOLDERS	45 - 53	17
VII. POTENTIAL ISSUES FOR CONSIDERATION	54 - 57	19

I. INTRODUCTION

1. The Human Rights Council, in its resolution 6/13, decided to preserve the Social Forum as a unique space within the United Nations for interactive dialogue between the representatives of Member States, United Nations human rights machinery, intergovernmental organizations and various stakeholders, including civil society and grass-roots organizations, on issues linked with the national and international environment needed for the promotion of the enjoyment of all human rights by all.

2. The Social Forum was originally an initiative of the former Sub-Commission on the Promotion and Protection of Human Rights,¹ composed of 10 members of the Sub-Commission, one of whom served as its Chairperson. Following one preliminary meeting in 2001, four sessions were held, in 2002, 2004, 2005 and 2006 respectively.²

3. The first meeting of the renewed Social Forum took place from 1 to 3 September 2008. At its tenth session, in March 2009, the Council considered the report of the 2008 Social Forum (A/HRC/10/65) and adopted resolution 10/29 in which it decided that the 2009 Social Forum should focus on three main issues, namely: (a) negative impacts of economic and financial crises on efforts to combat poverty; (b) national anti-poverty programmes: best practices of States in implementing social security programmes from a human rights perspective; (c) international assistance and cooperation in combating poverty.

4. The present report is submitted in accordance with paragraph 9 of the above-mentioned resolution, which requested the High Commissioner for Human Rights to consult all actors identified in the resolution on the issues listed above and to present a report as a background contribution for the dialogues and debates that will be held at the 2009 Social Forum.

5. The present report provides a context for the discussion on the issues listed in paragraph 3 above, as well as potential issues for consideration to facilitate the efficacy of that discussion. The last section of the report contains a brief overview of the contributions received in response to the note verbale and letter sent by the Office of the High Commissioner for Human Rights (OHCHR) on 7 May 2009 in accordance with paragraph 9 of resolution 10/29.

6. Sections III, IV and V of the present report benefited from inputs provided by the United Nations Department of Economic and Social Affairs, the United Nations Children's Fund (UNICEF), the International Labour Organization (ILO), the Food and Agriculture Organization of the United Nations (FAO), and the independent expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of human rights, particularly economic, social and cultural rights.

¹ Sub-Commission resolution 2001/24.

² For more information on the Social Forum, visit the OHCHR website at www.ohchr.org.

II. ORGANIZATION OF THE SOCIAL FORUM

7. Resolution 10/29, in its paragraph 7, requested the President of the Council to appoint the Chairperson-Rapporteur for the 2009 Social Forum from candidates nominated by regional groups, bearing in mind the principle of regional rotation.
8. On 5 June 2009, H.E. Mr. Andrej Logar, Permanent Representative of Slovenia to the United Nations Office at Geneva, was appointed Chairperson-Rapporteur of the 2009 Social Forum.
9. In accordance with paragraph 6 of the above-mentioned resolution, the 2009 Social Forum will meet for three working days and devote two days to thematic discussions on the topics of the Forum and one day to an interactive debate with relevant thematic special procedures mandate holders of the Human Rights Council on issues related to the topics of the Social Forum, and to formulating conclusions and recommendations to be presented to relevant bodies through the Human Rights Council.

III. NEGATIVE IMPACTS OF ECONOMIC AND FINANCIAL CRISES ON EFFORTS TO COMBAT POVERTY

10. The initial collapse of the sub-prime mortgage market in the United States has spread through global financial markets, impacting the global real economy, undermining consumer and business confidence and triggering further contractions in demand. Future developments are uncertain: the International Monetary Fund (IMF) *World Economic Outlook* of April 2009 predicts that the global economy will shrink by 1.3 per cent in 2009, with the potential for a slow recovery in 2010. However, even if there were to be economic growth in 2010, the social impacts of the crisis, in particular unemployment, will continue into the medium term, adversely impacting the livelihoods of millions around the globe. This will exacerbate pre-existing vulnerabilities that developed during the food and energy crisis of 2008.

Overarching impact of the crisis

11. The current banking and financial crisis, compounded by adverse effects of the previous food and energy crises, has the potential to develop into a multifaceted threat for the poor and the most vulnerable, particularly in least developed and fragile States. Unless effective countermeasures are put in place, the impact of the crisis will be felt disproportionately by the poor, the vulnerable and the marginalized which could in turn undermine their enjoyment of civil, political, economic, social and cultural rights.
12. The combined impact of deteriorating livelihoods, contracting economic growth and shrinking financial resources will require increased social spending in order to safeguard minimum standards of human rights. This will necessitate the utmost scrutiny in resource allocation, effective use of foreign aid, and prioritization of policies to focus on the most vulnerable and marginalized groups of the population. Policies need to ensure that, at minimum, access to, and availability of vital social services and coverage of social safety nets and programmes are not decreased from pre-crisis levels.

13. The United Nations Department of Economic and Social Affairs projects that the drop in per capita income growth in 2009 could significantly slow progress on poverty reduction: between 105 and 145 million more people could remain poor or fall into poverty in comparison with expected developments under pre-crisis growth trends. Most of this setback would be felt in East and South Asia with between 95 and 132 million likely to be affected, of whom about half would be in India. The crisis could keep 5 to 7 million more people in poverty in Africa and another 4 million people in Latin America and the Caribbean.³

The particular effects of the crisis on developing countries

14. Developing countries are particularly adversely affected by the systemic flaws in the global financial system, and most of them are not in a position to respond to the impact on their real economies with the same countercyclical measures invoked by industrialized countries. At lower levels of economic development, countries are generally more vulnerable to fluctuations in world markets. Developing countries typically have small reserves and have borrowed in foreign currency to finance their progress. When crises hit, they are often forced to pursue pro-cyclical monetary and fiscal policies to prevent capital outflows and a run on their currencies, which leads to greater volatility in their economic performance and adverse effects on long-term growth. This asymmetry between industrialized countries and developing countries in their ability to respond to economic and financial crises is exacerbating global inequality and would hinder progress toward the Millennium Development Goals.⁴

15. According to the World Bank, more than half of developing countries could experience an increase in extreme poverty this year.⁵ Among the most important factors leading to an exacerbation of the current situation are the foreseen reductions of remittances, loss of export earnings, loss of employment and decrease in foreign direct investment. Migrant workers, women and children will be particularly impacted.⁶

16. The distributional consequences of the crisis could further magnify its impact on poverty. Workers at the lower end of the job ladder, including youth and female workers, are more likely to lose their jobs or to suffer income losses during an economic slowdown. Also, workers are

³ *World Economic Situation and Prospects 2009*, United Nations Department of Economic and Social Affairs, United Nations Conference on Trade and Development (UNCTAD) and United Nations regional commissions, 2009.

⁴ Ibid.

⁵ *Global Monitoring Report 2009: A Development Emergency*, World Bank, 2009.

⁶ United Nations System Chief Executives Board for Coordination (CEB), communiqué of 5 April 2009, and the related CEB issue paper entitled “The global financial crisis and its impact on the work of the United Nations system” submitted to the CEB High-level Committee on Programmes at its seventeenth session in February 2009 (CEB/2009/HLCP-XVII/CRP.1).

already visibly shifting out of dynamic export-oriented sectors and either becoming unemployed or displaced to lower-productivity activities (including moving back from urban to rural areas).⁷

17. The financial crisis has triggered substantive cuts in remittance flows, which have become one of the most important sources of income for many families in developing countries. The slowdown of remittances is a direct consequence of increasing job losses among migrant workers and cutbacks in salary levels, leaving those most affected and marginalized with lesser means to afford essential social and health services. The World Bank estimates that remittance flows could drop by about 5 per cent in 2009/10, affecting middle-income countries most because they are the recipients of the majority of remittance flows (in absolute terms).⁸

Further concerns emanating from the crisis

18. The crisis poses a particular threat to civil and political rights in fragile States and weak democracies, in particular if they are export-oriented States, which are highly vulnerable to external shocks. Past experience has shown that economic downturns, when combined with a lack of accountability, transparency, access to information and participation in responses to the recession, often produce a compounding effect which increases social unrest.⁹ Inequalities between groups of people can further inflame pre-existing violent conflicts.

19. The current financial crisis is most likely to expose women and girls to greater risk. Unemployment, and consequently social displacement and dispossession related to economic crises, have a tendency to cause increases in acts of violence against women.¹⁰ Moreover, in the course of economic downturns, women's economic and social rights are disproportionately jeopardized. They see their job opportunities shrink, are forced to accept more marginal, hazardous, abusive and ill-paid employment, are increasingly vulnerable to human trafficking, and forego basic access to secure food and shelter.¹¹ Previous examples of crisis situations have demonstrated that girls tend to be the first to be withdrawn from school, and women often bear

⁷ "Tackling the global jobs crisis - Recovery through decent work policies", Report of the Director-General of the International Labour Organization, International Labour Conference, 98th Session 2009, Report I (A), p. 1.

⁸ Migration and Development Brief 10, Migration and Remittances Team, Development Prospects Group, World Bank, 13 July 2009.

⁹ "The global financial and economic crisis, its impact on development, and how the world should respond", background note by the United Nations Department of Economic and Social Affairs for the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development (New York, 24-26 June 2009), March 2009.

¹⁰ See the report of the Special Rapporteur on violence against women, its causes and consequences, to the eleventh session of the Human Rights Council (A/HRC/11/6).

¹¹ FAO, Food insecurity in Bangladesh, February 2009; United Nations inter-agency mission to Pakistan, July 2008; World Food Programme Nepal, February 2009.

the brunt of sacrifices that are made during economic hardship, threatening a broad range of their rights in the private and public spheres.¹² Furthermore, the World Bank has estimated that the expected crisis-related decrease in world GDP could be as high as 50 per cent, which could potentially cause an increase of 400,000 additional cases of infant deaths each year.¹³

20. Furthermore, the impacts of the financial crisis are largely expected to offset past human development gains of the last few years, which will hamper progress towards the achievement of internationally agreed development goals, including the Millennium Development Goals. Various international and regional progress reports on the Goals have indicated that wide disparities persist between regions in meeting the global goals and targets. This is expected to continue at an alarming pace due to the vulnerabilities of countries that are heavily reliant on export-dependent revenues. Decelerating economic growth, lack of adequate resources caused by shrinking flows of remittances and foreign aid, and current account deficits would make the Millennium Development Goals unachievable in many countries, in particular least developed and poor countries. Higher income poverty and lower Government revenue will also lead to lower public and private spending on social services, affecting all the Goals. Major setbacks in meeting the Goals due to the adverse impacts of this crisis will pose a considerable challenge for States in complying with the human rights obligations assumed under core international human rights treaties.

The value of a human rights perspective on the crisis

21. Integrating human rights principles and standards into national and international responses to this crisis will help those responses to be more sustainable, to maintain the focus on the most affected peoples and to encourage institutional and policy reforms for enhanced transparency and inclusion in policymaking.

22. Human rights principles also bring a stronger notion of accountability and mutual responsibility into modalities for development cooperation in efforts to combat poverty and meeting the Millennium Development Goals. Therefore, development partners need to respect and promote fundamental human rights, equity and social inclusion, and systematically integrate human rights principles and safeguards into their policies and programmes targeted at mitigating negative impacts of the economic and financial crisis.

¹² Ibid.

¹³ World Bank, "Swimming against the tide: How developing countries are coping with the global crisis", background paper prepared for the G20 Finance Ministers and Central Bank Governors Meeting, Horsham, United Kingdom, March 2009.

IV. NATIONAL ANTI-POVERTY PROGRAMMES: BEST PRACTICES OF MEMBER STATES IN IMPLEMENTING SOCIAL SECURITY PROGRAMMES FROM A HUMAN RIGHTS PERSPECTIVE

23. As has been suggested by ILO,¹⁴ a basic and modest set of essential social guarantees realized through transfers in cash or in kind can significantly help in combating poverty-related human rights problems by ensuring: (a) universal access to essential health services for all people that live in a given country; (b) income security for all children through child benefits; (c) modest income support for the poor in active age combined with employment guarantees through public works programmes for those who cannot earn sufficient income on the labour market; or (d) income security through basic tax-financed pensions for the old, persons with disabilities and those who have lost the main breadwinner in a family.

24. In crisis conditions, the provision of social assistance and security benefits paid to unemployed workers and other vulnerable recipients act as social and economic stabilizers. They not only prevent people from falling further into poverty, protect the health and welfare of vulnerable groups and reduce the likelihood of social unrest, but also make an important contribution to limiting a fall in aggregate demand, thereby curtailing the potential depth of the recession.

Legal basis for social security

25. The right to social security has been strongly affirmed in international law, including the Universal Declaration of Human Rights (arts. 22 and 25), the International Covenant on Economic, Social and Cultural Rights (arts. 9 and 10), the International Convention on the Elimination of All Forms of Racial Discrimination (art. 5 (iv)), the Convention on the Elimination of All Forms of Discrimination against Women (art. 11), the Convention on the Rights of the Child (art. 26), the International Convention for the Protection of the Rights of All Migrant Workers and Members of Their Families (art. 27) and the Convention on the Rights of Persons with Disabilities (art. 28). It is also affirmed in regional human rights instruments¹⁵ and in several ILO conventions, in particular the Social Security (Minimum Standards) Convention, 1952 (No. 102).

26. The International Covenant on Economic, Social and Cultural Rights requires States to progressively realize economic, social and cultural rights, as well as undertake all appropriate measures towards the implementation or full realization of economic, social and cultural rights to the maximum extent of their available resources (art. 2). The integration of human rights

¹⁴ See “Can low-income countries afford basic social security?”, ILO, Social Security Briefing, Paper 3, 2008 (hereinafter ILO, Briefing Paper 3).

¹⁵ See article 9 of the Additional Protocol to the American Convention on Human Rights in the Area of Economic, Social and Cultural Rights (Protocol of San Salvador) and article 12 of the European Social Charter. Article 18 (4) of the African Charter on Human and Peoples’ Rights stipulates that “the aged and the disabled shall also have the right to special measures of protection in keeping with their physical or moral needs”.

standards and principles, such as equality and non-discrimination, accountability, transparency, access to information and participation, are crucial to ensuring that social assistance and benefits succeed in producing improvements in human rights.¹⁶ The right to social security, in addition to being a right in itself, also plays an integral role in the implementation of other human rights such as the rights to health, education, water and sanitation.

Defining the right to social security

27. International human rights instruments such as the Universal Declaration of Human Rights and the International Covenant on Economic, Social and Cultural Rights set out the right of everyone to “social security, including social insurance”. The Committee on Economic, Social and Cultural Rights has defined the right to social security in a broad manner. It “can include: (a) contributory or insurance-based schemes such as social insurance generally which involve compulsory contributions from beneficiaries, employers and, sometimes, the State, in conjunction with the payment of benefits and administrative expenses from a common fund; (b) non-contributory schemes such as universal schemes or targeted social assistance schemes”.¹⁷ The Committee added that “other forms of social security are acceptable, including (a) privately run schemes, and (b) self-help or other measures, such as community-based or mutual schemes”.¹⁸

28. Social security programmes can consist of two main elements that help to realize human rights:¹⁹ (a) services: geographical and financial access to essential public services; and/or (b) transfers: a basic set of essential social transfers, in cash and in kind, paid to the poor and vulnerable to provide minimum income security and access to essential services, including health care.

International experiences with social security

29. Presently, 80 per cent of the global population has less than adequate social protection coverage.²⁰ Furthermore, cash benefit coverage is still concentrated on workers and their families

¹⁶ See the report of the independent expert on the question of human rights and extreme poverty to the eleventh session of the Human Rights Council (A/HRC/11/9).

¹⁷ Committee on Economic, Social and Cultural Rights, general comment No. 19 (2008) on the right to social security, para. 4.

¹⁸ *Ibid.*, para. 5.

¹⁹ Human rights relating to health, education, employment, social security, water and sanitation are reflected in the Universal Declaration of Human Rights, arts. 22, 25 and 26.

²⁰ ILO Briefing Paper 3, *op. cit.*

in the formal economy. In this regard, the importance of providing minimum coverage for those working in the informal economy, as they cannot access formal schemes, should be particularly borne in mind.²¹

30. There is a growing body of evidence which demonstrates that the basic set of essential social guarantees, or at least some of its components, is affordable as they are being implemented through social cash transfer programmes in more than 30 developing countries worldwide. According to ILO, some examples of social cash transfer programmes as a means of improving access to social security include:

(a) In **Bangladesh**, an important multidimensional social assistance programme called “Challenging the frontiers of poverty reduction - Targeting the ultra poor (TUP)” was launched in 2002. Jointly overseen by the Government and BRAC, a not-for-profit organization, it had covered some 70,000 households by 2006. TUP aims to reduce poverty among the poorest, and supports income-generating activities through a combination of asset transfers (grants) linked to livelihood skills training, health promotion, access to rights and other social programmes. Research shows that TUP has had good nutritional effects. Additionally, the programme has been linked with improved access to credit. It has also consolidated democratic practice and a sense of fair play through a local governance structure. Overall, this governance structure appears to have improved the quality of life of the extreme poor, among others, through a widening of their social networks, and reported improvements in the extent of their inclusion within the village community social life. The TUP programme also has resulted in the empowerment and facilitation of a greater voice for women. Overall, progress has been observed in several key areas related to vulnerability (notably livelihood assets, savings and health);

(b) **Brazil’s** “Bolsa Família” programme, granting family benefits, is the largest conditional cash transfer programme in the world: in 2008 it covered about 47 million people, corresponding to 25 per cent of Brazil’s population. The budget for 2008 was US\$ 5.5 billion, which represents 0.3 per cent of Brazil’s GDP. Coverage is expected to be extended to 12.4 million families by the end of 2009. The positive impact of family grants on children and families is being felt in numerous ways. It was observed that the impact on attendance, dropout rates and school progression indicators are better for children assisted by the programme compared to children living in similar households that do not receive the benefit. It also seems that beneficiaries are spending more of their Bolsa Família on food and child health, education and child clothing. Overall, the programme has had a significant impact on reducing poverty and inequality. Brazil also has a rural pension programme, *Previdência Rural*, the specific aim of which is to reduce poverty and vulnerability among older people engaged in rural employment and who are excluded from social insurance schemes. The rural pension scheme reaches 7.5 million people at a cost of 1.5 per cent of GDP, is largely tax-financed and covers old-age survival, disability, maternity, sickness and work-injury pensions. The distribution of benefits is linked to the minimum wage. Research has shown that the rural pension scheme plays a key role in poverty alleviation at the rural level. Unlike other non-contributory programmes, the rural pension does not have an inactivity or means tests as a condition for eligibility; it has thus been

²¹ See A/HRC/11/9.

shown to strengthen small-scale economic activity. In terms of income equality, the pension seems to have had an effect on regional income redistribution. Furthermore, the social pension appears to have increased opportunities for democratic participation in other areas of civic life;

(c) **India** adopted the National Rural Employment Guarantee Act (NREGA) in 2005, as the successor to the Maharashtra Rural Employment Guarantee Scheme (MEGS). It is one of the largest social protection initiatives, reaching around 40 million households living below the poverty line. The national budget for the financial year 2006/07 was approximately US\$ 2.5 billion or 0.3 per cent of GDP; once fully operational, the scheme's budget could peak at 1-5 per cent of GDP. NREGA makes available up to 100 days of employment per rural household per year on public works, i.e. land and water resource management and infrastructure development projects, paid at the minimum wage for agricultural labourers in the area. If work is not provided within the stipulated time, the applicant is entitled to receive an unemployment allowance. The programme is voluntary, assuming that only the poorest households will want to do manual work for minimum wages. The MEGS programme seems to have contributed to a decline in income variability, which may have had a significant impact on seasonal malnutrition; it has been instrumental in employment creation and appears to have reduced the intensity of poverty. Research further shows that the programme has contributed to higher market wages for agricultural workers, improved economic power and solidarity;

(d) **Mexico** first launched Progresa (Programa de Educación, Salud y Alimentación) in 1997, as a conditional cash transfer programme for poor rural households aimed at reducing and preventing poverty. In 2002 the programme was renamed Oportunidades and extended to urban areas with some additional training and microenterprise support components. Today, Oportunidades is the principal anti-poverty programme of the Government of Mexico. It covers 5 million poor families, with an authorized budget of US\$ 3.6 billion representing approximately 0.32 per cent of GDP; its administrative costs are 4 per cent. Successful receipt of payment is dependent on parents ensuring their children make regular clinic visits and receive key vaccines and that children maintain a certain level of school attendance. Benefit levels are increased as children grow older and enter higher grade groups, the intention being to keep older children in school and out of work, and therefore preserve the goal of human development. It is targeted at the poorest communities, and eligibility is determined through proxy means testing and community reviews. Oportunidades has improved child and adult health, has had a significant impact on increasing child growth and has reduced the probability of child stunting for children in the critical age range of 12-36 months. In addition, the programme has had many positive effects on education: school enrolment and educational attainment have increased. Furthermore, the programme has reduced the probability of working among those aged 8 to 17 by 10 to 14 per cent in relation to the level observed prior to its implementation. At the same time, Oportunidades does not seem to have created work disincentives for men or women;

(e) **Namibia's** non-contributory pension programme aims to reduce poverty among its elderly population. It is a universal pension, provided to all resident citizens above 60 years of age regardless of any assets and income, including pensions. In 2001 there were close to 100,000 beneficiaries. Among the positive results, the programme has been credited with encouraging small enterprises and stimulating microeconomic trade and infrastructure; beneficiaries were also able to use their cash to invest in agriculture and livestock for their families. In terms of social bonds, it seems that the social pension has improved the social status of elderly persons while appearing to have led to significant intra-household empowerment for

some women in socially conservative rural areas. Furthermore, the social pension is known to have affected household composition. Children have been sent to grandparents so that the pension income will support them; there is substantial evidence that the grandparents in recipient households spend a considerable amount of their pension on their grandchildren in ways that contribute to the well-being of children;

(f) **South Africa**, with its Child Support Grant Programme (CSG) and its non-contributory pension programmes, has also extended its coverage of the most vulnerable through the provision of basic non-contributory benefits. CSG, which is financed by the Government of South Africa, is intended to reduce poverty among children in poor households. Introduced in 1998 as a means-tested and conditional grant, it was subsequently transformed from a conditional to an unconditional grant, which resulted in an improvement of its operational effectiveness. Today, the grant covers 7.5 million children aged 0-14. About R190 per month (US\$ 19) is paid to carers or guardians of children at a cost of 0.7 per cent of GDP. Eligibility is determined by performing an individual assessment of the primary care provider (income and assets test), as well as on the basis of geographical area and type of household. In 2002, CSG was associated with an increase in school enrolment among 6- and 7-year-old children. CSG has also been shown to have a positive impact on nutrition, growth and the reduction of hunger. The non-contributory pension programme reaches about 2.2 million beneficiaries and provides a monthly benefit of around US\$ 70 to women 60 and over and men 65 and over living in poverty; it is means tested and tax-financed and accounts for 1.4 per cent of GDP. The pension's positive impact is notable in that it seems to have been quite pivotal in attenuating the intensity of poverty, preventing the slide into that condition, and reintegrating the elderly into socially significant roles.

Effect of social security on combating poverty and its affordability

31. Existing social transfer schemes, as briefly described above, illustrate that these grant systems have positive impacts on poverty, health and nutrition, the social status of recipients (notably women), economic activity and entrepreneurial small-scale investments (notably in agriculture), and do not have a marked negative effect on labour market participation of the poor population they serve. They thus also strengthen the active response of a society to the effects of crises. A set of minimum transfers for basic social security is not costly in per capita terms, although it is likely to require support from external sources in the poorest settings.²² A costing study of 12 low-income developing countries shows that the initial gross annual cost of the overall basic social transfer package (excluding access to basic health care that to some extent is financed already) is projected to be in the range of 2.3 to 5.5 per cent of GDP in 2010.²³

²² Submission of the independent expert on the question of human rights and extreme poverty to the United Nations Conference on the World Financial and Economic Crisis and its Impact on Development (New York, 24-26 June 2009).

²³ ILO Briefing Paper 3, op. cit.

Individual elements are estimated to be even more affordable. For example, the annual cost of providing universal basic old-age and disability pensions is estimated at between 0.6 and 1.5 per cent of GDP by 2010 in the countries considered.²⁴

V. INTERNATIONAL ASSISTANCE AND COOPERATION IN COMBATING POVERTY

Obligation to provide international assistance and cooperation

32. One of the express purposes of the United Nations is to “achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion”.²⁵ Furthermore, all members of the United Nations pledge “universal respect for, and observance of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion”.²⁶ The Committee on Economic, Social and Cultural Rights has added that “in accordance with Articles 55 and 56 of the Charter of the United Nations, with well-established principles of international law, and with the provisions of the Covenant itself, international cooperation ... for the realization of economic, social and cultural rights is an obligation of all States”.²⁷

33. International cooperation for development is also addressed in the Declaration on the Right to Development adopted in 1986. Articles 3 and 4 stipulate that States have a duty to cooperate with each other in ensuring development and eliminating obstacles to development, and recognize the obligation of States to take steps, individually and collectively, to formulate international development policies with a view to facilitating the full realization of the right to development.

34. State provision of international assistance and cooperation would be complementary to the primary responsibility of States to meet their national human rights obligations. International cooperation rests on the premise that developing countries may not possess the necessary resources for the full realization of rights set forth in human rights covenants and conventions.

35. Providing a contextual clarification of what international cooperation entails from a human rights perspective, the Convention on the Rights of Persons with Disabilities states that international cooperation is considered to include, inter alia, “(a) ensuring that international cooperation, including international development programmes, is inclusive of and accessible to persons with disabilities; (b) facilitating and supporting capacity-building, including through the exchange and sharing of information, experiences, training programmes and best practices; (c) facilitating cooperation in research and access to scientific and technical knowledge;

²⁴ Ibid.

²⁵ Charter of the United Nations, Art. 1.

²⁶ Ibid., Arts. 55 and 56.

²⁷ General comment No. 3 (1990), para. 14.

(d) providing, as appropriate, technical and economic assistance, including by facilitating access to and sharing of accessible and assistive technologies, and through the transfer of technologies” (art. 32).

36. A human rights-based approach to international cooperation for development entails the obligation to respect and to protect, namely the obligation to abstain from interference with economic, social and cultural rights, and to prevent third parties under a State’s control from interfering with these rights. It should also be noted that the Committee on Economic, Social and Cultural Rights and the Committee on the Rights of the Child have also made specific recommendations on development cooperation, urging Governments to observe their obligations to fulfil human rights by meeting internationally agreed upon targets, including the United Nations target for international development assistance of 0.7 per cent of GDP.²⁸

Policy approaches for optimizing international assistance and cooperation

37. Policy adopted in the context of international assistance and cooperation could be optimized through an approach which aims at building up developmental and national productive capacity as a precursor to realizing benefits. It should recognize the primary importance of productive employment as the basis for substantial poverty reduction. There is a need for a better balance between the roles of private incomes (based on employment) and public services (through which health and education are primarily provided) in poverty reduction, as well as between States and markets in promoting development and reducing poverty. This requires creative solutions based on public action which mobilizes key stakeholders, including the private sector in particular, to resolve development problems and create development opportunities.²⁹

38. Taking into account the need for more inclusive models of assistance and cooperation and the higher levels of effectiveness such an approach renders, development cooperation has increasingly adopted a partnership approach. The roots of the approach can be traced to the report of the Development Assistance Committee of the Organization for Economic Cooperation and Development, *Shaping the 21st Century: The Contribution of Development Co-operation* (1996). That report not only argued that aid should be focused on achieving a limited set of international poverty reduction and human development targets (a list that later formed the basis for the Millennium Development Goals), but also emphasized that the key to making a difference in achieving those targets was the establishment of development partnerships between donor and recipient Governments.

39. The principle of national ownership of national development strategies is at the heart of the partnership approach to development cooperation. Country ownership is one of the key

²⁸ See the concluding observations of the Committee on Economic, Social and Cultural Rights: Ireland (E/C.12/1/Add.77) and the report on the forty-second session of the Committee on the Rights of the Child (CRC/C/42/3), respectively.

²⁹ UNCTAD, *The Least Developed Countries Report 2008: Growth, Poverty and the Terms of Development*, United Nations publication, Sales No. E.08.II.D.20 (United Nations: New York and Geneva, 2008), Overview.

operational elements in the preparation of poverty reduction strategy papers. Moreover, it was also part of the Monterrey Consensus on Financing for Development adopted in 2002 and reaffirmed at the Group of Eight (G-8) Summit at Gleneagles, United Kingdom, in 2005, where in addition to bold commitments to cancel debt and scale up aid, it was agreed that country ownership is crucial for development policies to be effective.³⁰ Enhanced country ownership is also one of the main components of the 2005 Paris Declaration on Aid Effectiveness. At the third High Level Forum on Aid Effectiveness held in Accra in 2008, developing countries and donors committed themselves to “ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, human rights, disability and environmental sustainability”.³¹

40. National ownership, if properly complemented with due regard to the human rights principles of non-discrimination, participatory inclusion, accountability and good governance, can contribute to more effectively addressing the structural causes of poverty. By establishing basic rights and corresponding duties, human rights underpin the relationship between citizens and the State and the processes and mechanisms of domestic accountability that are fundamental to ensuring meaningful, inclusive and more sustainable national ownership. The strength and credibility of national ownership depends on the participation of civil society, local authorities and parliaments in national policymaking and implementation. The broader the involvement and commitment to nationally determined strategies, the more well-balanced is the relationship with international providers of advice and assistance.

International response to the global financial and economic crisis and its impact on poverty

41. The question of the impact of the economic and financial crises on development and poverty eradication has been the subject of several conferences and reports. At its tenth special session, on 20 February 2009, the Human Rights Council called upon all States and the international community to alleviate, in an inclusive and development-oriented manner, any negative impacts of these crises on the realization and the effective enjoyment of all human rights.³² The United Nations Conference on the World Financial and Economic Crisis and Its Impact on Development reaffirmed the importance of strengthening the efficiency and coherence of international assistance and cooperation to address the human costs of the crisis.³³

42. The human dimension of the crisis was also recognized at the Group of Twenty (G-20) Summit held in London in April 2009. As commentators have noted, the G-20 communiqué

³⁰ Gleneagles communiqué on Africa, para. 31: “It is up to developing countries themselves and their governments to take the lead on development. They need to decide, plan and sequence their economic policies to fit with their own development strategies, for which they should be accountable to all their people.”

³¹ Accra Agenda for Action, para. 13 (c).

³² Resolution S-10/1, para. 2.

³³ See General Assembly resolution 63/303.

recognizes that the current crisis has a disproportionate impact on the vulnerable in the poorest countries and seeks to offer social protection for the poor and vulnerable countries affected by the crisis. However, these remedies can go much further if they build on measures to ensure that structural changes extend full universal support and benefits to each and every person, beginning with the poor.³⁴

43. In response to the global economic crisis, the United Nations system has commenced with an initiative to pool its multiple assets to assist countries and vulnerable populations in addressing the impact of the downturn. In addition to the ongoing initiatives of the United Nations system, the United Nations System Chief Executives Board for Coordination (CEB) has agreed on nine major United Nations-system initiatives to respond to the crisis (see CEB/2009/HLCP-XVII/CRP.1). These initiatives are designed to assist countries and the global community in confronting the crisis, accelerating recovery and building fair and inclusive globalization allowing for sustainable economic, social and environmental development for all.³⁵ They seek to develop increased cooperation and coherence among United Nations organizations and bodies and its specialized agencies, including ILO, IMF and the World Bank.

44. Two of the above-mentioned initiatives merit particular attention given their close connection to the themes of the 2009 Social Forum: (a) additional financing for the most vulnerable through advocacy for and the design of a joint World Bank-United Nations system mechanism for the common articulation and implementation of additional financing, including through the World Bank's Vulnerability Fund; and (b) a social protection floor that ensures basic social services, shelter, empowerment and protection for the poor and vulnerable, which has been initiated by ILO and developed jointly with the United Nations, the World Bank and the World Health Organization.

VI. CONSULTATION WITH MEMBER STATES AND OTHER STAKEHOLDERS

45. On 7 May 2009, in accordance with Council resolution 10/29, OHCHR sent notes verbales to the Member States and letters to other stakeholders named in that resolution seeking their input in preparation for the 2009 Social Forum, specifically soliciting concrete ideas and suggestions on the issues listed in paragraph 5 (a), (b) and (c) of the resolution.

46. Responses were received from Afghanistan, Croatia, Greece and Ukraine. Responses were also received from the following international organizations, national human rights institutions and non-governmental organizations: Childcare Consortium, Fédération internationale des femmes des carrières juridiques, International Movement ATD-Fourth World, Pakistan Lions Youth Council and Plan Life.

³⁴ S. Fukuda-Parr and M.E. Salomon, "A Human Rights Analysis of the G-20 Communique: Recent Awareness of the 'Human Cost' Is Not Quite Enough", 4 May 2009, Carnegie Ethics Online, at www.cceia.org.

³⁵ "Impact of the global financial crisis on industrial development in developing countries: UNIDO's response", report by the Director-General (IDB.36/17).

47. The contributions from Member States describe the ways in which Governments have responded to the current financial and economic crisis in terms of social security benefits offered to the most vulnerable sections of their populations.

48. The Afghanistan National Development Strategy reflects priority policies for social protection, pension reform and disaster preparedness. The country's "pro-poor" poverty reduction policy framework gives priority to allocating budgetary and other resources to segments of the society that are poorest and most vulnerable. A total of 93.8 per cent of all resources for the Strategy originate from international aid, making for a particularly clear example of the importance of international assistance and cooperation in the fight against poverty.

49. Croatia's Maternity and Parental Benefits Act provides benefits for the care of a child until the age of 8, and in exceptional circumstances can be extended. Its Pilot Programmes of Intergenerational Solidarity initiated in 2004 provide daily care and home assistance to over 14,000 elderly persons and employ 920 persons (primarily from "critical groups", i.e. women above the age of 45 years and with lower educational qualifications). It has also adopted a package of 10 anti-recession measures as a response to the financial crisis and has reduced Government expenditure and increased the liquidity of its public finances and economy. These cuts were carried out without affecting expenditure on social contributions, pensions and health care, which increased in 2009 as compared to 2008.

50. Under the recently adopted law on "extra allowance for social cohesion", Greece offers a one-time lump sum benefit to its most vulnerable population groups including the unemployed, people receiving small pensions and persons with disabilities. The payment was tax exempt and not included in income used to calculate eligibility for other long-standing social security programmes offered in Greece. The resources used to fund this programme were derived from various budgetary credits and were allocated to a National Fund for Social Cohesion.

51. The poverty reduction strategy of Ukraine, adopted in 2001, aims at building an effective social protection system and reducing extreme poverty. The strategy is implemented through an annually renewable plan of measures and regional programmes. As a part of this overarching strategy, the Government provides social welfare to women during pregnancy, as well as financial assistance to families with children under the age of 3, orphans and single mothers. The implementation plan for 2009 focuses on minimizing the negative effects of the financial crisis. It includes measures for labour market development, improvement of social assistance and social services delivery, and the provision of additional assistance for disabled persons and families with young children. The Government budget for 2009 for programmes to support low-income families, families with children and disabled children was increased from 13 billion hryvnias to 15 billion hryvnias. The Government of Ukraine has also introduced measures to support persons who have become unemployed or subject to wage reductions due to the financial crisis.

52. International Movement ATD-Fourth World emphasized the long-term consequences of the social exclusion of the poorest segments of society, which is being exacerbated by the financial crisis. It drew attention to the particularly severe impact of the crisis on the large number of persons who are part of the informal economy and hence particularly reliant on the

solidarity and assistance of others to mitigate that impact. It also emphasized the importance of introducing fundamental changes to the structure of current financial and economic systems with due regard to the rights of the poorest and most vulnerable.

53. Other contributions from civil society organizations and other stakeholders emphasized the increased importance of aid commitments to developing countries in times of financial crisis, referring to the fact that most of those countries do not have the resources to offer stimulus packages to their most vulnerable populations. With falling aid contributions, not only will the Millennium Development Goals not be achieved, but more people will fall back under the poverty line as developing country Governments struggle to reallocate the limited resources they have.

VII. POTENTIAL ISSUES FOR CONSIDERATION

54. On the basis of the information and analysis provided in sections III, IV and V above, the 2009 Social Forum may wish to consider the following issues.

Negative impacts of economic and financial crises on efforts to combat poverty

55. The Social Forum may consider the following issues: (a) the contours of a human rights approach to combat poverty in the context of the financial and economic crisis; (b) strengthening accountability in protecting and promoting civil, political, economic, social and cultural rights in the context of the crisis; and (c) ways of safeguarding vulnerable groups (migrants, women, children, minorities, persons with disabilities and other groups) and the extreme poor in the context of the crisis.

National anti-poverty programmes: best practices of States in implementing social security programmes from a human rights perspective

56. The Social Forum may consider the following issues: (a) lessons learned from best practices in social security programmes and their contribution to the protection of human rights, especially economic, social and cultural rights; (b) key elements of a rights-based approach to social security programmes, with particular attention to the most poor and vulnerable; (c) the role of the international community in facilitating the realization of the right to social security through poverty reduction strategies.

International assistance and cooperation in combating poverty

57. The Social Forum may consider the following issues: (a) how the international community's response to the global economic crisis could be strengthened to ensure the protection of economic, social and cultural rights of the poorest and marginalized groups; (b) how the participation and inclusiveness of the most marginalized and affected people could be ensured in the efforts to combat poverty and respond to the crisis; (c) the role of civil society in country-owned consultation processes and nationally driven poverty reduction strategies.
