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Written statement* submitted by Center for Economic and Social Rights, The, a non-governmental organization in special consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[23 January 2020]

^{*} Issued as received, in the language(s) of submission only.





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Egypt's Universal Periodic Review - Third cycle

The Interactive Dialogue

The Center for Economic and Social Rights welcomes the Report of the Working Group on the Universal Periodic Review (UPR) (A/HRC/43/16) and the recommendations made therein. Although we would have liked to have seen a greater focus in the recommendations on the economic and social rights concerns presented in our joint UPR submission with the Egyptian Initiative for Personal Rights, we welcome Egypt's recognition, reflected in the Report, of the need for national policy to balance the treatment of all human rights, whether civil, political, economic, social or cultural.

While at the time of writing, Egypt had not yet issued responses to the recommendations presented in this Report, we have a clear indication of its assessment of the economic and social rights situation based on its statement during the Working Group session and prior statements in other public fora, such as the High-Level Political Forum on Sustainable Development.

In its statement to the Working Group session, the Government indicated that for the period under review – 2014 to 2019 – it performed admirably in securing and protecting the economic and social rights of Egyptians and that it took the necessary steps to advance rights realization. This account, however, grossly mischaracterizes developments in the country since 2014 and the current economic and social rights situation in Egypt through the omission of key facts which would otherwise make clear the severity of the true situation. These facts, which are discussed briefly just below, paint a dramatically different picture of the reality of everyday Egyptians, and in particular people's experiences in the aftermath of the recent IMF-back economic reforms in Egypt.

Data in this statement and the Egypt Social Progress Indicators

The data and analysis this statement includes are based on the Egypt Social Progress Indicators (ESPI), a rigorous and independent set of multidimensional, quantitative and qualitative indicators that measure progress on economic and social rights in Egypt, based on official, inter-governmental and other authoritative sources. The indicators cover six topics: economic policy; labor; urbanization; food, water, and agricultural land; education; and health. ESPI also incorporates a gender analysis across all topics.¹ It assesses progress across these indicators using clearly defined benchmarks.

While narrow economic indicators often paint a highly partial picture of development "success," ESPI includes indicators that better reflect people's actual enjoyment of economic and social rights, and objectively assess the policy efforts being made to advance these. Its indicators and benchmarks are informed by the recommendations of UN human rights mechanisms, including the UPR and UN-Committee on Economic, Social, and Cultural Rights, as well as by Egypt's Vision 2030 commitments and those of the global 2030 Agenda for Sustainable Development.

Overall, ESPI indicators paint a concerning picture of the economic and social rights situation in Egypt. The majority of ESPI indicators show weak or no progress, (for example, reducing maternal mortality rates), and even where there are notable areas of progress, a closer analysis shows glaring inequalities in the enjoyment of economic and social rights across wealth quintiles, gender and geography.

Egypt's performance on Economic and Social Rights since its 2014 UPR

In the time since Egypt's last appearance before the UPR in 2014, new constitutions and government decrees, particularly the 2014 Constitution which provided greater guarantees

¹ Egypt Social Progress Indicators (2018), About. At: https://www.progressegypt.org/en/page.html#about

for economic, social and cultural rights, were put into place with the stated aim to promote the values of social justice and sustainable development. The government has since also positioned itself as a champion of the Sustainable Development Goals (SDGs). In spite of these gestures, however, the country still suffers from staggering levels of socioeconomic inequality, a stagnant labor market and increasing poverty.

In an effort to address its economic challenges, the government of Egypt sought a 12.4billion-dollar loan package from the International Monetary Fund (IMF), which was approved in 2016² on the condition that the government implement a program of fiscal consolidation. This program, which requires significant cuts to social spending and restructuring of parts of the economy, has compounded an already difficult situation and had a harmful impact on the realization of economic, social and cultural rights, particularly for the poorest and most marginalized.³ This situation has grown worse since Egypt's UPR Working Group session last November.

With the goal of achieving macroeconomic stability, the IMF-backed reforms reduced public spending by limiting the public wage bill and decreasing subsidized social services. These reforms have in turn led to higher living costs, burdening the poor most heavily. As a result, the poverty rate has increased by almost 5% since the start of the economic reform program, and now hovers around 30%. The simultaneous implementation of new social security programs backed by the IMF/World Bank now fail to cover more than half of the population living in poverty. And although the Government claims that there has actually been an increase in beneficiaries under the cash transfer program, this is misleading, because the increase partially due to combining other social solidarity programs into one, rather than increasing its capacity to support the increasing populations in need.⁴

While the Government touts its record on labor rights over the last five years, it has in fact begun to severely restrict and at times criminalized the rights to organize and strike. Egypt is currently the fifth lowest-ranked country in the world in terms of legal protection of workers' rights.

In addition, the Government implemented IMF-backed legislative reforms through Law 18 (2015) aiming to downsize the number of public sector employees, putting millions of people at risk of mass layoffs, and disproportionately disadvantaging women. This restructure of the labor market has also led to high unemployment rates, particularly for young people, which continue to reflect people's struggle to enjoy their right to work and deepen poverty in some cases. Although the government issued a decree to increase the minimum wage in the time since the review, the decree does not require the private sector to comply,⁵ which given cuts to public sector employment is doubling concerning. Finally, while States are required to formulate and implement detailed national policies to realize these rights, including overcoming unemployment and increasing the allocation of resources to ensure that this demand is met for marginalized groups, in particular women and youth, these steps have not been taken by Egypt.

Data released since the review took place also indicates that women's participation in the labor force has decreased even further, now standing at 21%, while obstacles to increased participation continue to go unaddressed. Child labor also remains a persistent threat to child rights in Egypt. Latest official data from 2010 indicates that 1.6 million children were

² The International Monetary Fund (IMF) (2016), "IMF Executive Board Approves US\$12 billion Extended Arrangement Under the Extended Fund Facility for Egypt." At: https://www.imf.org/en/News/Articles/2016/11/11/PR16501-Egypt-Executive-Board-Approves-12billion-Extended-Arrangement

³ Corkery A., and ElBadrawi M., (2017), "Egypt's Human Rights Deal Comes with a Huge Price Tag For Human Rights." Bretton Woods Project. February 2017. At: http://www.cesr.org/egypt-new-imfdeal-comes-huge-price-tag-human-rights

⁴ A. Elleithy (2019). Egypt plans single cash transfer system for combating poverty. Al-Monitor, 17 July.

⁵ Egypt Today (2019), PM issues decision on minimum wage limit of state employees. 9 July 2019. At: https://www.egypttoday.com/Article/3/72630/PM-issues-decision-on-minimum-wage-limit-ofstate-employees And: Daily News (2019), Private sector to increase salaries, pensions after president's decision. 2 April 2019. At: https://www.dailynewssegypt.com/2019/04/02/privatesector-to-increase-salaries-pensions-after-presidents-decision/

engaged in child labor largely in the agricultural sector. The government has not published new data since.

Furthermore, housing unaffordability and discrimination continue to be a major challenge in spite of recommendations from both the 2014 and 2019 UPRs and a recent visit by the UN Special Rapporteur on housing directed towards this issue. Households in Egypt spent on average 39% of their monthly income on rent in 2017, threatening the ability to finance other essential needs. Although the government is investing in social housing projects (in partnership with the World Bank), eligibility criteria and costs prevent communities in need from accessing it. And in its attempt to decrease the number of people living in slum areas, the government has displaced people without following appropriate processes, resulting in numerous violations of the right to housing. Despite the Government's claims to the contrary in its responses to questions from Recommending States, it engaged in a systematic campaign of harassment and intimidation directed towards the UN Special Rapporteur on the right to housing upon her visit to Egypt in 2018. This campaign extended to civil society and community advocates who attempted to meet with her to discuss their concerns with respect to housing rights and those seeking to make use of United Nations human rights mechanisms, such as the UPR and treaty bodies.

The IMF-driven economic reform programs have also threatened the right to food resulting in restricted access to food for the most marginalized households. New data released after the November review indicates that the unaffordability of food is growing. The poorest people in Egypt continue to spend a disproportionately large amount of their household incomes on food in comparison to the richest.

While it is true, as the Government claims, that the new law on comprehensive health insurance was passed in 2017, actual expenditure on health continues to decline. This, coupled with low health insurance coverage rates and high out-of-pocket expenditure, continue to create substantial barriers to access to health, particularly for women, curtailing their right to health and affecting Egypt's ability to fulfill its commitments to SDG target 3.8, as well as its commitment to reach 100% coverage by 2020. Financial barriers also continue to limit poorer women's access to quality antenatal and child care, essential to realize their right to health, resulting in very unequal outcomes between socio-economic groups.

Spending on education also continues to decline and is well below national constitutional obligations in spite of the 2014 UPR recommendations to "make further efforts to eradicate illiteracy for all, including through, inter alia, sufficient budget allocation." The number of children dropping out of primary school has doubled from 644,717 in 2010 to 1.2 million in 2017. With budgetary allocations for education already low and decreasing, it is unclear how the government will meet its human rights goals and SDG targets.

Taken together, this information paints an alarming picture of the condition of peoples' economic and social rights in Egypt. Recent protests demonstrate people's dissatisfaction with economic and social conditions and exasperation with persistent, widespread corruption.

As articulated in our original submission, all of these developments are taking place alongside a crackdown on civil and political freedoms which has been described as one of the worst in modern Egyptian history.⁶ Although the government has said otherwise, the recently passed NGO bill is one that UN human rights experts have indicated would "devastate civil society"⁷ and international initiatives monitoring the health of civil society space have deemed Egypt's civic space "closed."⁸ And as discussed above, these efforts have reached all the way to the

⁶ National Endowment for Democracy (2019), Egypt faces worst crackdown on freedoms in modern history. 28 Jan 2019. At: https://www.demdigest.org/autocrat-rises-from-egypts-democraticaspirations/?utm_content=buffer8f6bc&utm_medium=social&utm_source=twitter.com&utm_campai gn=buffer

⁷ UN Office of the High Commissioner for Human Rights (OHCHR) (2016), "Egypt NGO bill threatens to 'devastate' civil society, UN expert warns." 23 Nov. 2016. At:

https://www.ohchr.org/FR/NewsEvents/Pages/DisplayNews.aspx?NewsID=20920&LangID=E ⁸ Civicus Monitor Tracking Civic Space (2018), Egypt Overview. June 2018. At:

https://monitor.civicus.org/country/egypt/

UN human rights system as a whole, for example, by attacking the neutrality and independence of UN Special Procedure mandate holders.⁹

As stated above, one of the apparent purposes of this crackdown is to limit civil society and affected communities' ability to voice concerns regarding the government's development and socio-economic policy choices and its presentation of Egypt as a development leader on the global stage.¹⁰ This practice is especially concerning because it flies in the face of the commitment all governments have made through the 2030 Agenda to pursue sustainable development with strict adherence to core human rights principles.¹¹

All of this is made more urgent due to the fact that the IMF has indicated that negotiations on a new agreement with the Egyptian Government are about to begin. Given the dramatic and harmful impact of the policies put in place to implement and abide by the previous agreement, as outlined above, it is critical that there be an open, consultative and inclusive process concerning this new agreement and that civil society and communities be allowed to participate and express their concerns in these negotiations in a meaningful way.

We urge the Human Rights Council to call on the Government of Egypt to take immediate steps to address the economic and social rights issues outlined above, to reduce widening social and economic inequalities and to prevent further rights retrogression, including by increasing public investment across these areas.

Further we urge, the Government of Egypt and the IMF to make public and transparent their negotiations on any new loan or other agreements which have policy implications for economic and social rights realization, and to undertake a thorough human rights impact assessment of any proposed reforms, in line with the Guiding Principles on Economic Reforms adopted by the Human Rights Council last year.¹²

⁹ Egypt State Information Service (2018), "Foreign Ministry condemns UN special rapporteur's statement on Egypt housing policy." 7 Dec. 2018. At: http://www.sis.gov.eg/Story/136551/Foreign-Ministry-condemns-UN-special-rapporteur's-statement-on-Egypt-housing-policy?lang=en-us

¹⁰ Middle East Eye (2018), "Cairo police arrest 10 protesting against metro price rises." 12 May 2018. At: https://www.middleeasteye.net/news/cairo-police-arrest-10-protesting-against-metro-pricerises

¹¹ UN General Assembly, 21 October 2015, Transforming our world: the 2030 Agenda for Sustainable Development. At: A/RES/70/1: http://undocs.org/A/RES/70/1

¹² United Nations, General Assembly. Guiding principles on human rights impact assessments of economic reforms: Report of 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. A/HRC/40/57 (19 December 2018). At: https://documents-ddsny.un.org/doc/UNDOC/GEN/G18/443/52/PDF/G1844352.pdf?OpenElement