





### ENTER FOR ECONOMIC AND SOCIAL RIGHTS





















HOUSING AND LAND RIGHTS NETWORK - HABITAT 7. INTERNATIONAL COALITION 8. NAZRA FOR FEMINIST STUDIES

1.

2.

3.

4.

5.

6.

**NEW WOMAN FOUNDATION** 9.

10. AHMED ABDALLAH RUZZA DEVELOPMENT ASSOCIATION

11. AL SHEHAB FOUNDATION FOR COMPREHENSIVE DEVELOPMENT

JOINT SUBMISSION TO THE

COMMITTEE ON ECONOMIC,

SOCIAL AND CULTURAL RIGHTS

On the occasion of the review of Egypt's 4th periodic report at the 51st Session, November 2013

Submitted by

ASSOCIATION FOR EDUCATION SUPPORT AND DEVELOPMENT

EGYPTIAN CENTER FOR ECONOMIC AND SOCIAL RIGHTS

CENTER FOR ECONOMIC AND SOCIAL RIGHTS

EGYPTIAN COALITION FOR EDUCATION FOR ALL

EGYPTIAN INITIATIVE FOR PERSONAL RIGHTS

ARAB NGO NETWORK FOR DEVELOPMENT

12. ALEXANDRIA WORKERS' PERMANENT CONFERENCE

**13. APPROPRIATE COMMUNICATION TECHNIQUES FOR** DEVELOPMENT

14. ASSIUT CHILDHOOD AND DEVELOPMENT ASSOCIATION

15. ASSOCIATION FOR THE DEVELOPMENT AND ENHANCEMENT OF WOMEN

16. ASSOCIATION FOR FREEDOM OF THOUGHT AND EXPRESSION

ASSOCIATION OF HEALTH AND ENVIRONMENTAL DEVELOPMENT 17.

ARAB HOUSE FOUNDATION FOR HUMAN RIGHTS 18.

BETTER LIFE ASSOCIATION FOR COMPREHENSIVE DEVELOPMENT 19.

CAIRO INSTITUTE FOR HUMAN RIGHTS STUDIES 20.

21. CARE

22. CARITAS EGYPT

23. CENTER FOR EGYPTIAN WOMAN'S LEGAL ASSISTANCE

24. COPTIC EVANGELICAL ORGANIZATION FOR SOCIAL SERVICES





ACDA

















فدرائه الأطفار

بلاز المصرى للإصلاح العنلى والتشريعي



















- 25. DEVELOPMENT SUPPORT CENTER
- 26. EGYPTIAN ASSOCIATION FOR COLLECTIVE RIGHTS
- 27. EGYPTIAN ASSOCIATION FOR COMMUNITY PARTICIPATION ENHANCEMENT
- 28. EGYPTIAN ASSOCIATION FOR COMPREHENSIVE DEVELOPMENT
- 29. EGYPTIAN ASSOCIATION FOR THE DEVELOPMENT OF THE CAPACITY OF CHILDREN WITH SPECIAL NEEDS
- 30. EGYPTIAN CENTER FOR CIVIL AND LEGISLATIVE REFORM
- 31. EGYPTIAN COALITION FOR CHILDREN'S RIGHTS
- 32. EGYPTIAN FEDERATION OF INDEPENDENT TRADE UNIONS
- 33. FUTURE FOUNDATION FOR DEVELOPMENT IN ASWAN
- 34. GENERAL INDEPENDENT FEDERATION OF EGYPTIAN PEASANTS
- 35. HABI CENTER FOR ENVIRONMENTAL RIGHTS
- 36. HAWA FUTURE ASSOCIATION FOR FAMILY AND ENVIRONMENTAL DEVELOPMENT
- 37. HELWAN ASSOCIATION FOR THE DEVELOPMENT OF THE COMMUNITY (BASHAYER)
- 38. HISHAM MUBARAK LAW CENTER
- **39. HOPE VILLAGE SOCIETY FOR SOCIAL DEVELOPMENT AND REHABILITATION FOR THE DISABLED**
- 40. INDEPENDENT SYNDICATE FOR CONSTRUCTION AND TIMBER
- 41. INDEPENDENT SYNDICATE FOR OIL AND SOAP
- 42. INDEPENDENT SYNDICATE FOR WORKERS OF ABO KIR ELECTRICITY COMPANY
- 43. INDEPENDENT SYNDICATE FOR WORKERS OF EGYPTIAN NAVIGATION COMPANY
- 44. INDEPENDENT SYNDICATE FOR WORKERS OF HIGH-TECH COMPANIES
- 45. INDEPENDENT SYNDICATE FOR WORKERS OF LORD COMPANIES
- 46. INDEPENDENT SYNDICATES FOR WORKERS OF CADBURY
- 47. LAND CENTER FOR HUMAN RIGHTS
- 48. NEW WAY FOUNDATION FOR PEACE AND EDUCATION
- 49. RO'YA FOR CONSULTANCY AND TRAINING
- 50. SHOMOO EL-AMAL ASSOCIATION FOR CHILD CULTURE AND DEVELOPMENT
- 51. SOUTH CENTER FOR RIGHTS
- 52. TANWEER FOUNDATION FOR DEVELOPMENT AND EDUCATION IN MINYA
- 53. WADI EL NIL ASSOCIATION FOR PROTECTION OF QUARRY WORKERS
- 54. WOMAN AND DEVELOPMENT ASSOCIATION
- 55. WOMAN AND SOCIETY ASSOCIATION
- 56. YOUTH ASSOCIATION FOR POPULATION AND DEVELOPMENT
- 57. YOUTH ASSOCIATION FOR DEVELOPMENT AND THE ENVIRONMENT

#### **EXECUTIVE SUMMARY**

This submission outlines the key concerns and recommendations of the 57 organizations listed above on the occasion of Egypt's review before the Committee at its 51st session in November 2013. Over the past three years, Egypt has witnessed a period of immense political upheaval and socio-economic instability. The participating civil society organizations express grave concern that the successive administrations that have led Egypt since 2011 have done little to respond to the Egyptian people's concerns over dignity, justice, and social exclusion. In particular, they have failed to take the opportunity afforded by the major political transition facing the country to make the significant reforms to the country's economic structure needed to advance the rights contained in the International Covenant on Economic, Social and Cultural Rights and, ultimately, sustain the transition.

As described in Part I of the submission, the catalyst for the revolution was growing inequality in the country, manifested in popular perception of entrenched and rising corruption, failing public services, and severely restricted options for participation and representation in policymaking. Rather than tackling these growing economic and social deprivations, successive transitional administrations have continued to ignore the popular demands of the people. Policymaking remains secretive; reliable state-produced data is unavailable, many documents and plans are not publically released and critical voices from NGOs and civil society groups, unions, and opposition parties continue to be repressed—at times violently. In this way, the State party has failed to ensure transparent and participatory decision-making processes, a fundamental obligation under the Covenant, as emphasized by the Committee. Without meaningful channels for participation, social unrest continues.

Part I of the submission also describes the severe economic crisis gripping the country. By July 2013, the Egyptian pound had hit a record low since 2004 and Egypt's foreign currency reserves had fallen below the 'critical level' set by the Central Bank of Egypt. The budget deficit reached an estimated 11.5% in 2013. This economic crisis hits an already vulnerable population. A quarter of the population lives in poverty according to the latest official statistics, while a third of young people are unemployed. The harm to the enjoyment of economic, social and cultural rights by Egypt's poor caused by the economic crisis is obvious. The cost of food commodities, healthcare, and housing has soared. Unsurprisingly, almost 90% of vulnerable households reported that their income does not cover their monthly food expenditures.

Worryingly, the question of how to address Egypt's underlying economic problems has received scant consideration from successive administrations. As described in Part II of the submission, 'quick-fix' measures to finance the growing budget deficit and stabilize the Egyptian Pound through international assistance, including through the IMF, have been prioritized. The signatories to this submission are concerned that, in order to attract such assistance, successive administrations have attempted to cut spending by reducing food and fuel subsidies and to raise revenue by increasing regressive taxes (largely on goods and services). In line with this, the state continues to allocate few funds to public spending, specifically to key sectors in need of financing, such as health, education and housing. Contrary to the requirements articulated by the Committee, these unpopular and potentially retrogressive austerity measures have been proposed—and in some cases enacted—without consulting affected communities, conducting a

rigorous assessment of their impact on marginalized and vulnerable groups, or giving meaningful consideration to more equitable alternatives.

While it is the case that subsidies are an inefficient use of resources and a massive drain on the public budget, they do provide a vital lifeline for many. Simply removing them would have significant impoverishing effects, especially in the absence of effective social security networks. Instead, significant and broad-based economic reform is needed to overcome the inequitable and unsustainable economic model of the Mubarak regime, in line with the State party's obligations under article 2(1) of the Covenant. This includes active policies to mobilize resources, including untapped domestic resources, to invest in public services, agricultural and industrial policy, and large infrastructure.

Part III of the submission describes how the legacy of the Mubarak regime's economic model which relied heavily on rent, protection, and patrimony—has affected the rights to work, to social security, to an adequate standard of living, to health and to education. Broadly speaking, this model has led to:

- inadequate job creation, as evidenced by rising unemployment and underemployment, particularly among women and young people, and the growing informal sector, which is characterized by low wages, poor working conditions and no social insurance;
- a fragmented social security system characterized by low social insurance coverage and inefficient and regressive universal welfare subsidies; and
- public services such as water and sanitation, affordable housing, healthcare and education whose availability, accessibility, affordability and quality is deteriorating as a result of deregulation, privatization and shrinking government expenditure.

The failure of successive administrations to articulate a transformative economic vision is perpetuating, and in some cases exacerbating, these negative trends.

The submission makes recommendations on actions the State party can take to comply with its obligations under the Covenant and channel the energy and creativity of Egyptian civil society to develop a holistic, long-term economic strategy that promotes equitable and sustainable growth and that, ultimately, achieves social stability and leads to the progressive fulfillment of economic, social and cultural rights for all.

#### **INTRODUCTION**

This submission outlines the key concerns and recommendations of the 57 organizations listed above on the occasion of Egypt's review before the Committee at its 51st session in November 2013. The report supplements information presented in Egypt's 2nd-4th Periodic Report of May 2010, highlighting key issues regarding the State's compliance with its obligations under the International Covenant on Economic, Social and Cultural Rights (ICESCR). It makes particular reference to issues insufficiently addressed or omitted from the State report and seeks to respond to the questions put forth in the List of Issues adopted by the Committee's Pre-sessional Working Group in May 2013. It relies primarily on government statistics, which, as outlined in the

In the time since the submission of its state report, Egypt has witnessed a period of immense political upheaval and socio-economic instability. The participating civil society organizations express grave concern that the successive administrations that have led Egypt since the 2011 revolution have done little to respond to the people's calls, failing to enact policies that side with the poor and provide them with their basic social and economic rights. As detailed in this submission, in some instances, the different administrations have consciously taken steps to undermine the respect for and realization of socio-economic rights, in breach of the state's obligations. More broadly, in response to the country's worsening economic crisis, the different administrations have so far continued to prioritize short-term measures to attract foreign loans—for instance in proposing regressive taxes on basic goods and cutting essential subsidies—which fail to address the systemic dysfunctions in the country's economy and risk leading to significant retrogression in the realization of socio-economic rights.

#### I. GENERAL FRAMEWORK

#### Ongoing political instability is stalling Egypt's transition

Egypt has witnessed a period of immense political upheaval over the past three years. On January 25, 2011, Egyptians joined the wave of so-called Arab Spring uprisings against autocratic regimes and socio-economic injustices. Millions of protestors all over Egypt demanded their political, civil, as well as social and economic freedoms. Although the motto of the Egyptian Revolution was "Bread, Freedom, Social Justice," successive transitional governments have failed to realize any notable improvement in the livelihoods of the citizens; the cycle of protests and demonstrations has continued as the people vent their disappointment and frustration.

The country's worsening political turmoil has been a major challenge facing Egypt in realizing the social and economic demands of the Egyptian people. Since January 2011, legislative power has shifted six times. With the fall of ex-president Mubarak, parliament was dissolved and legislative authority shifted to the Supreme Council of the Armed Forces (SCAF) which ran the country during this first transitional period. In November 2011, parliamentary elections were finally held and legislative authority shifted from the SCAF and to the lower house of parliament. However, in June 2012 the Supreme Constitutional Court (SCC) declared that the electoral law, under which the parliamentary elections were held, was invalid. Thus, parliament was dissolved and legislative authority returned to the SCAF. In June 2012, Mohammad Morsi became the first democratically elected president of Egypt. He assumed legislative power in August 2012, until December 2012 when it shifted to the Shura Council, the upper house of parliament. After the fall of Mohammed Morsi on 3 July 2013, the Shura Council was dissolved and legislative power shifted to Adly Mansour, as President of the interim administration.

Morsi's year in power saw an increasing number of protests. One group of opposition activists launched an anti-Morsi signature campaign called "Tamarrod" (Rebellion), collecting 22 million signatures on a petition opposing him and calling for early presidential elections. The campaign

also called for nationwide demonstrations to mark Morsi's first anniversary in office and millions took to the streets on June 30, 2013. After giving 48-hours notice to reach an agreement, the Minister of Defense and Commander-in-Chief of the Egyptian Armed Forces, General Abdel Fatah Al-Sissi, issued an official statement on July 3 ousting President Morsi. The statement also set out a "road-map", which included appointing the Head of the Supreme Constitutional Court, Adly Mansour, as acting president. In this transitional period, legislative power moves from the Shura Council to the acting president, until the lower house of parliament is elected.

The removal of Mohammed Morsi exacerbated Egypt's political turmoil. Many pro-Morsi protests broke out after July 3, resulting in many violent clashes between protestors on the one hand, the army and the police on the other. These clashes escalated when Egyptian security forces used force to disperse pro-Morsi sit-ins on August 14, which left hundreds dead and thousands more injured. In response, members and supporters of the Muslim Brotherhood attempted to storm several government facilities and police stations, resulting in some officers being killed. There were also reported attacks against churches in Upper Egypt and Sinai, several of which were torched and destroyed.<sup>1</sup> The interim administration has declared a state of emergency, imposing a curfew in Cairo and several other cities.

Despite the ongoing clashes, the interim administration seems determined to move forward with the road map without delay articulating that the controversial dispersal of the pro-Morsi sit-ins were "necessary and inevitable" as they hindered the progress of the political roadmap.<sup>2</sup> In light of such a tumultuous political situation, it has proven difficult for the state to take any strong action to improve social, economic, and cultural rights in Egypt, for example by repealing unfair laws and enacting legislation to protect the basic social and economic entitlements of the people. At the same time, the failure of any administration to address the root causes of the 2011 revolution is what is exacerbating instability. In this stalemate, the cleft between the people and their concerns and the political elites and their priorities continues to grow.

While acknowledging that political instability can pose great challenges to the State party's ability to fulfill its obligations under the Covenant, the State party has the primary responsibility to protect its citizens with respect to the rule of law and human rights. The state party should provide for an inclusive reconciliation process as part of the transitional road map, aimed at reaching a genuine political consensus in order to achieve political stability and allow for the effective fulfillment of rights.

#### Egypt's economic crisis is worsening existing patterns of poverty and inequality

Egypt is facing a severe economic crisis. After an extended period of slow growth, the country's political turmoil has resulted in a steep drop in foreign investment and tourism, compounded by the enduring economic crisis in Egypt's Southern European export markets. Capital flight has soared, with an estimated \$5bn leaving the country in 2012.<sup>3</sup> By July 2013, the Egyptian pound had lost more than 12% of its value, a record low since 2004, while Egypt's foreign currency reserves in turn dropped from \$36bn in January 2011 to \$14.4bn in April 2013, below the

<sup>&</sup>lt;sup>1</sup> Egyptian Initiative for Personal Rights (EIPR) and others, 'Non-peaceful assembly does not justify collective punishment', *Joint Press Release* (August 15, 2013). <sup>2</sup> 'Pro-Morsi sit-ins were obstacles to roadmap: Egypt's PM', *Ahram Online* (August 28, 2013).

<sup>&</sup>lt;sup>3</sup> EIPR, 'The Illusion Dispelled: Egypt's Economic Crisis – causes, alternatives, remedies' (May 2013), at p 2.

5

"critical level" set by the Central Bank of Egypt at \$15bn.<sup>4</sup> Unsurprisingly, the budget deficit in Egypt continued to increase from 10.8% of GDP in 2012 to 11.5% in 2013.<sup>5</sup> This is just the latest illustration of growing public financing woes which are aggravated by volatile prices in the global food market, especially in wheat, of which Egypt is the world's top importer.<sup>6</sup>

The economic crisis hits an already vulnerable population. According to the Central Agency for Public Mobilization and Statistics (CAPMAS), a quarter of the population (25.2%) lived in poverty in 2010/11, an increase from approximately 20% in 2008/2009. The poverty rate in rural areas, where over half the population lives, is even higher; figures from 2010/11 indicate that 34.2% of the rural population lives in poverty, compared to 30% in 2008/9. In Upper Egypt, the percentage is even higher, with around half the rural population living in poverty. The real growth rates the country experienced throughout the 2000s, for example, did not translate into increased per capita consumption, which has stagnated or declined, according to UNDP data.

According to UNICEF, 23% percent of children under age 15 years in Egypt were living in income poverty in 2009, a rate higher than 1996 levels. Poverty among children is concentrated in rural areas and is higher in Upper Egypt. Children living in rural Upper Egypt are most vulnerable to income poverty—in 2009 the poverty rate among these children was 45.3%, twice that of urban households (at 21%). This is in comparison to poverty rates of 7.9% percent in urban households with children and 17.6% for rural households with child in Lower Egypt.<sup>7</sup> Similarly, CAPMAS statistics from 2012 showed that 27% of youth aged 18-29 are poor, while another 24.3% are close to the poverty line.

The effects on Egypt's poor can be seen in the soaring cost of living that has resulted from the Egyptian Pound's devaluation; consumer prices for food and beverages increased by 13.9% between July 2012 and July 2013, for example (CAMPAS). The Egyptian Food Observatory, a quarterly survey of approximately 1500 vulnerable households, indicated that respondents spent an average of 66.1% on food and beverages, compared to 40.6% in an average household in early 2013.<sup>8</sup> The percentage of vulnerable households that claim that their income does not cover their monthly expenditures increased from 78.9% in September 2011, to 86% in September 2012, and to 88.9% in March 2013.

2. The State party should strengthen its efforts to combat poverty and social exclusion, particularly among children. The state party is obligated, even under severe resource constraints, to protect vulnerable groups of society, as stated in paragraph 12 of the Committee's general comment No.3 (1990).

<sup>&</sup>lt;sup>4</sup> 'Egypt pound strengthens at central bank currency sale', *Ahram Online* (July 8, 2013).

<sup>&</sup>lt;sup>5</sup> 'Investment Minister: Budget deficit 11.5% of GDP for the 2012-2013 fiscal year', *Daily News Egypt* (May 11, 2013).

<sup>&</sup>lt;sup>6</sup> 'Egypt Weighs Burden of IMF Austerity', *Financial Times* (March 11, 2013).

<sup>&</sup>lt;sup>7</sup> UNICEF, *Child Poverty and Disparities in Egypt: building the social infrastructure for Egypt's future* (February 2010), at p.11.

<sup>&</sup>lt;sup>8</sup> Vulnerable Households are determined according to the HIECS. Families are excluded if the head or member of the household is in private school; works in or is a contractor to the public sector or in the contractors sectors; owns agricultural holdings has an income or expenditure value of over 300 EGP (i.e. per capita).

6

#### Egypt has a weak legal framework for human rights protection

Egypt signed and ratified the International Covenant on Economic, Social and Cultural Rights in 1982. However, it has not effectively translated the provisions of the Covenant into domestic legislation, nor has it indicated any intention to ratify the Optional Protocol to the Covenant. In the absence of robust domestic laws protecting human rights, and without genuine commitment to respect human rights, many laws were passed that had negative impacts on human rights. The political instability, discussed above, has hindered efforts to improve the legal framework in a way to protect the rights of the Egyptian people.

The National Council for Human Rights (NCHR), which is mandated to protect and promote human rights, was established in 2003. When Morsi came to power in July 2012, the NCHR was re-formed, and prominent human rights defenders were invited to join it. However, the NCHR, already heavily criticized under the Mubarak regime, has spurred a lot of controversy for its bias towards the Muslim Brotherhood regime, and its questionable membership, which included Islamist figures known for their racism, anti-Christian statements, and lack of commitment to Human Rights. In addition, the NCHR became increasingly linked to both the disputable constitutional committee and the Shura Council. By November 2012, after it had become clear that the NCHR was deviating from its human rights defenders, alongside others, resigned from the Council. Therefore, the NCHR still fails to deliver its duty to protect human rights, independently from the state.<sup>9</sup>

On December 25, 2012 a controversial draft constitution, prepared by a disputed constitutional assembly, was approved by referendum. The 2012 constitution failed to adequately protect many human rights, causing division among the public. Chapter 3 provided for several economic, social and cultural rights. However, as will be discussed further below under the relevant Articles, the language in these provisions was often overly broad, open to interpretation, and able to justify wide-ranging limitations. Enforceability of the ICESCR and other international conventions is addressed in Article 145 of the 2012 constitution, which states that any international treaty will have the force of law upon ratification. Again, the article specified in vague terms that treaties which go against the articles of the constitution cannot be ratified.

On July 8, 2013 the interim administration issued a constitutional decree. It is unclear what effect the decree has on the 2012 constitution. On the one hand, it reiterates the statement of the Minister of Defense that the 2012 constitution is suspended. On the other hand, Article 28 goes on to state expressly that a panel of legal experts will propose amendments to the 'suspended' 2012 constitution. In practice, this complicates the status of laws and decrees passed within the past year and under the ambit of the 2012 constitution, as well as the status of the articles within the 2012 constitution which have no counterpart in the decree. The vacuum this ambiguity creates is not conducive to the fulfillment of rights in the interim period until a new constitution is adopted. In line with Articles 28-30 of the constitutional decree, a panel of legal experts reviewed the 2012 constitution and in late August their recommendations were presented to a panel of 50 people representing different sectors of society, religion, professions and living

<sup>&</sup>lt;sup>9</sup> R. Saad, 'The National Council for Human Rights, Lacking Human Rights Defenders', *Cairo Institute for Human Rights Studies* (January 4, 2013)

3. The State party should ensure the justiciability of economic, social and cultural rights in domestic courts, for example by adopting enforceable constitutional or legislative provisions and effective mechanisms to protect these rights, and by according the Covenant a legal status that would enable it to be invoked directly within the domestic legal system.

4. The State party should take steps to ensure the independence and effectiveness of the Egyptian Human Rights Council, including by ensuring an open and transparent process for the appointment of councilors that provides for input from civil society and other stakeholders.

#### Conditionality of assistance skews policy priorities

In the absence of political consensus on how best to reform the economy, to date "quick fix" measures to prop up the economy through international assistance have been prioritized. It is well-known that the neoliberal economic reforms pursued by the Mubarak regime over the past three decades, which came hand in hand with cronyism and corruption to the benefit of a small elite, were promoted through the conditional assistance provided by the International Monetary Fund and other international financial institutions.<sup>11</sup> In light of this, the successive administrations' willingness to follow the recommendations of international financial institutions to continue to pursue austerity measures based on a minimal government role in the provision of services—despite such resounding demands for social justice during the 2011 revolution—surprised and angered many sectors of the Egyptian people.

Egypt has been negotiating for a \$4.8bn loan with the International Monetary Fund (IMF), onand-off since May 2011. The objective of this loan is to lessen the state's budget deficit and facilitate a significant inflow of foreign loans and direct investment from bilateral and multilateral partners. The loan will be conditional on reforms to the state's subsidies and taxation policies. Specifically, the IMF has asked the government to decrease expensive subsidies on fuel (which exceeded \$17.2bn in 2012/2013, a fifth of budget expenditures) and food, and to increase state revenue through tax reforms.

The State party's major policy changes have targeted these two key sectors in response. However, the reforms in these sectors were planned in a regressive manner and continued to burden the poor and those with low incomes. The subsidy cuts, especially on food, fuel and electricity, as well as the tax reforms aimed at collecting more revenue through indirect taxation on goods and commodities by introducing a regressive VAT, have caused a lot of dissatisfaction on the ground, because of their negative impact on the livelihoods of the already impoverished population. Many of these reforms were passed during the year of Morsi's rule, most importantly

<sup>&</sup>lt;sup>10</sup> Within 15 days of the approval, a call for the election of the lower house of parliament should be issued, with those elections to be held no less than one and no more than two months after the call. Finally, within a week of the first meeting of the lower house of parliament, a call for the election of a new President is to be issued.

<sup>&</sup>lt;sup>11</sup> M. Amin et al, After the Spring: economic transitions in the Arab World (2012), p.38.

8

the increase in electricity and gas prices for household use;<sup>12</sup> several others are planned and expected to be passed in the coming year, primarily related to removing fuel subsidies.

Although the interim administration has not indicated definitively whether it will continue to pursue the negotiations with the IMF, it seems likely, at some point, especially given the profile of key members of the administration's cabinet. The IMF Managing Director has reportedly declared the Fund's willingness to support Egypt, on condition that the interim administration gains international recognition, a goal they are progressively achieving through keeping on track with the political road map. In the meantime, loans from Saudi Arabia, Kuwait, and the United Arab Emirates reached up to \$12bn at the end of July 2013. The loans have been used to support the servicing of local and foreign debt and to combat the deficit in petroleum products.<sup>13</sup>

There is a real risk that in the rush to secure international assistance to buttress dwindling reserves, policy makers in Egypt, donor countries including Kuwait, the IMF and the IMF members states (including Belgium, Austria and Norway) may pay insufficient attention or ignore the State party's Egyptian government's human rights obligations under the Covenant and the economic and social rights impacts on the welfare of a population already suffering from increasing levels of poverty, inequality and deprivation. Temporary measures to meet short-term deficit pressures may be prioritized over investments in the social and productive sectors of the economy that would help solve its structural deficiencies, preventing economic, social and cultural rights fulfillment.

# 5. The State party must respect its obligations in relation to economic, social and cultural rights when making decisions on offers of bilateral loans and official development assistance, including by international financial institutions.

#### Calls for participatory and transparent decision-making are being suppressed

The catalyst for the revolution was a growing 'governance deficit', manifested, *inter alia*, in severely restricted options for participation and representation in policymaking.<sup>14</sup> Neither of the transitional administrations has addressed this. For the year it remained in power, Morsi's government was characterized by a 'dismissive attitude towards its critics'.<sup>15</sup> Discontent with the Morsi government was in large part a result of this dismissiveness, as well its non-acceptance of other parties' views and contributions, which resulted in polarization and discontent. Political leaders kept policies and state projects secretive. For example, the Morsi government's first economic plan produced for the IMF was only released by cabinet after litigation by the Egyptian Center for Economic and Social Rights. State-produced data was not regularly updated. Many documents and plans were not publically released to civil society. Egypt's "Open Budget Index" (OBI) score, which calculates a country's degree of budget transparency, dropped from 43 in 2010 to 13 in 2012, meaning that the budget documents it provides are 'scant or none'.

<sup>14</sup> M. Amin et al, *After the Spring*, above n 11, at p.1.

<sup>&</sup>lt;sup>12</sup> M. Hussein, 'Egyptian households see energy prices increase', *Ahram Online* (March 31, 2013).

<sup>&</sup>lt;sup>13</sup> The Official Gazette, Issue No. 26 (*bis.*, B), 30 June 2013, 56<sup>th</sup> year, (issued July 20, 2013).

<sup>&</sup>lt;sup>15</sup> International Crisis Group, 'Marching in Circles: Egypt's Dangerous Second Transition', *MENA Briefing No. 35* (August 7, 2013).

**()** 

There is a lot of doubt about the reliability of government data on poverty, unemployment, and other basic services. Successive administrations dealt with poverty in a wary manner, referring to data that tends to reduce its magnitude. Government data on poverty, unemployment, child labor, as well as housing-related services consistently tend to downplay negative aspects and maximize positive aspects. In addition to the shortage of governmental reports and data about the magnitude of poverty, unemployment, child labor, slums, and basic services, data provided by CAPMAS and other ministerial information sources are often dated and contradictory.

The lack of transparency and accountability in decision-making was also clear in the "selective" approach successive administrations have demonstrated towards civil society. Under the former regime and during the tenure of the Supreme Council for the Armed Forces (SCAF) following the revolution in 2011, decision-makers in Egypt commonly excluded human rights groups from discussions about pressing issues and political decisions. But the fact that the marginalization of civil society continued following the election of the first post-revolution president came as a surprise to many groups. The most important example of the ongoing marginalization of civil society and political parties is the first 2012 constitution, which was drafted exclusively by members of the ruling Freedom and Justice party. This resulted in a constitution full of shortcomings, which violated the rights of citizens in many cases. Other examples include the complementary constitutional declaration issued by President Morsi. This could be considered a violation of Article 13 of the United Nations Convention Against Corruption, ratified by Egypt in 2005, which stipulates a major role for civil society and NGOs in ensuring accountability.

The continued lack of inclusion in decision-making processes and the restrictions on channels for meaningful participation and voice meant that the two years and a half following the Egyptian Revolution witnessed an unprecedented number of social protests. In 2012, almost 4000 social protests occurred, which is almost double the number of protests witnessed in 2011. Of these, 2757 occurred after electing Morsi in June. The number of protests continued to increase, reaching 5094 social protests in the first half of 2013 alone.<sup>16</sup> All of these protests were calling for basic social rights, such as access to clean drinking water, access to electricity, good-quality education, better health services, better wages and salaries, and many other entitlements.

The response of successive administrations towards the different protestors and striking workers reflected a continuation of the Mubarak regime's policies of repression, on the one hand, and ignoring the popular demands of the people, on the other. It is worth noting that the transfer of power since the January Revolution demonstrated the degree to which successive authorities were similar to Mubarak's regime, especially in relation to the lack of respect of human rights and the state's neglect of its role in protecting its citizens, especially protecting their access to economic and social rights. For instance, more than 200 protesting workers were arbitrarily fired during the first three months after President Morsi came into power and more than one hundred workers were detained after they were arrested while demonstrating peacefully.<sup>17</sup> Notably, aggression and arbitrariness towards workers' protests, whether from the state security apparatus or employers, continues under the interim administration. The use of violence in dispersing strikers at the Suez Steel Company in August 2013 and other incidents, resulting in many injuries

<sup>&</sup>lt;sup>16</sup> ECESR, 'Protest Mapping Database', online at <u>http://esep.info/node/646</u> [Arabic only].

<sup>&</sup>lt;sup>17</sup> CTUWS, 'The Condition of Egyptian Workers one year after the Brotherhood's rule: One year of Trade Union Freedom Violations During Morsi's Regime' (September 25, 2013).

1()

among workers, indicate that the interim administration has continued with the violent, repressive methods of prior governments and continues to disregard the essential elements of establishing a robust rights regime, such as transparency, accountability and to deny essential rights such as the right to peaceful assembly. Employers and businessmen also bear responsibility for the repression of those involved in protests. Protesters reportedly faced "dismissal, suspension, transfers outside or inside headquarters, detention, beatings and lynching, pay cuts, investigation by administrative or general prosecution, threats and terror, assault by thugs at the incitement of business owners, and threatening or actually closing down companies."<sup>18</sup> The redrafting of the constitution is one essential area for open and accountable decision-making. However, the process has been neither transparent nor inclusive. The expert panel which was mandated with amending the 2012 constitution did not include representatives from lawyers' associations or human rights organizations. Additionally, the meetings it held were not open to the public or CSOs, and no external contributions were accepted. While the 50person panel purports to represent all the different sectors of society, religion, professions and living standards, no criteria for choosing its members were set, other than the specification that it include no less than 10 women and youth.

The current situation in Egypt speaks to the interim administration's exclusionary and intolerant attitude towards opposition parties and the Muslim Brotherhood and Islamists in particular. Policies that hindered genuine participation and increased polarization were among the factors contributing to the Morsi government's unpopularity. They will continue to hinder political stability in Egypt unless genuine, inclusive participation and reconciliation are sought between different parties.

6. Given the continued political turmoil in Egypt, the State party must allow different parties space to engage and participate meaningfully, and to ensure that decision-making is transparent and participatory.

7. The State party should ensure open and transparent decision making, including by enforcing an effective right to freedom of information based on the assumption that information belongs to the people and governments hold that information in trust on their behalf and promoting the primacy of the citizen in accessing information.

8. The State party should strengthen its data-collection system and compile up-todate comparative statistics and statistical analyses concerning the enjoyment of the rights recognized in the Covenant. This information should meet international standards of accuracy and be disaggregated by age, sex, urban/rural population and other relevant characteristics. Special attention should be devoted to the situation of the most disadvantaged and marginalized persons or groups.

#### Impunity for corruption has been allowed

Corruption is deeply entwined in Egypt's governmental entities. Egypt ranked 118 out of a total of 176 countries on Transparency International's 2012 Corruption Perception Index. There is problematic culture of corruption in the country, at both a low-level and grand scale. Though

<sup>&</sup>lt;sup>18</sup> G. Wael, 'Ordinary Folks versus Politicians', *Ahram Online* (February 7, 2013).

there is little reliable data on the exact scope and scale of corruption in Egypt, most people perceive corruption to be widespread and part of daily life. In a 2009 public perception survey, corruption was associated with the discretionary use of authority by public officials, with local government cited as the most frequent demander of bribes. Interestingly, only 10% of individuals had direct experience with corruption, though people in urban areas had twice as much experience as those in rural areas.

Nevertheless, corruption presents a major obstacle to doing business in Egypt. Around 40% of small and medium enterprises surveyed in 2009 indicated that they have been obliged to offer illegal payments or gifts to obtain their business licenses. One third paid bribes during the course of the operation of their business. An overwhelming majority regarded such payments as something normal, 'something everybody does'.

At a grand scale, the unregulated and non-transparent privatization process under the Mubarak regime fuelled systemic nepotism and corruption. High-ranking government members and the economic elite were enriched through a conflation of politics and business under the guise of privatization, which allowed them to purchase state-owned assets for much less than their market value, or monopolize rents from sources such as tourism and foreign aid.<sup>19</sup> A 2011 Global Financial Integrity report claimed that crime and corruption cost Egypt approximately US \$6bn annually and US \$57.2bn in total between 2000-2008. Much of this money was driven out by personal tax evasion, in addition to corruption and crime, the report noted.

Given the above, clear and well-delineated laws and regulations are imperative in encouraging people to resist corruption. Increased oversight is also important in preventing abuse of discretionary powers by government officials given the dominance of corruption within the public sector. Although Egypt has ratified relevant anti-corruption treaties, enacted laws and established anti-corruption bodies, according to a 2010 US State Department Report, these laws are not consistently and effectively implemented. The World Bank Worldwide Governance Indicators ranked Egypt in the bottom 30% of countries for its ability to control corruption in 2011. Worryingly, recent actions have further problematized anti-corruption efforts. Law No.4 of 2012 authorizes the General Authority for Free Zones and Investment (GAFI) to settle cases of investment fraud, theft and corruption outside the criminal court, nullifying criminal procedures against investors.<sup>20</sup> This law was passed under SCAF, and was not repealed by any of the successive legislative powers; including the Lower House of Parliament, President Morsi or the Shura Council.

9. The state party must intensify its efforts to fight corruption and ensure transparency among governmental agencies, with a view to preventing the diversion of public resources and bringing those responsible to justice. In particular the state party should repeal Law No.4 of 2012 and ensure the strict enforcement of anti-corruption laws.

<sup>&</sup>lt;sup>19</sup> See e.g. M. Termini, 'Mounting Scandals involving Mahmoud Moheidlin Betary Patter', *Government Accountability Project Blog* (August 22, 2011).

<sup>&</sup>lt;sup>20</sup> M. Hyde & N. Marroushi, 'SCAF's Investment Law Offers Impunity in Corruption Cases', *Egypt Independent* (March 15, 2012).

10. It should address the glaring lack of data by making regular efforts to measure corruption and by imposing a positive obligation upon public bodies to provide, to publish and disseminate information about their policies, activities, and budgets.

#### **II. ISSUES RELATED TO GENERAL PROVISIONS OF THE COVENANT (ARTS 1 – 5)**

#### Article 2(1) State Obligation to use maximum available resources

Economic policy since the revolution has so far failed to make the structural changes needed to effectively mobilize and allocate maximum available resources to fulfill Covenant rights. Instead, potentially retrogressive measures such as reducing food and fuel subsidies and increasing regressive taxes (on goods and services) have been proposed without prior assessment of their potentially severe human rights impacts or careful consideration of more equitable alternatives.

Economic policy since the revolution has so far failed to make the structural changes needed to meet the State party's obligation to generate and use the maximum of its available resources. Although fiscal and monetary policy space is not limitless, as described above, the various administrations have made little use of the opportunities the revolution afforded to transform a long-ailing rentier economy based on cronyism rather than inclusion, into a productive economy that ensures "bread, freedom and social justice" for all.

Instead, the focus has been on short-term measures to finance a growing budget deficit and stabilize the Egyptian Pound. In late 2012 the Morsi government issued an economic plan to advance negotiations for the IMF loan. The plan almost exclusively prioritized raising revenue through increasing regressive taxes (largely on goods and services) and cutting spending by removing some food and fuel subsidies.<sup>21</sup> Although these potentially retrogressive measures would have a long term adverse impact on the economic, social and cultural rights of many parts of the population, the plan was adopted without civil society participation, nor prior assessment of their potentially severe human rights impacts or careful consideration of more equitable alternatives. As illustrated by Egypt's worsening Open Budget Index score mentioned above, budgetary planning in Egypt is bereft of social, political or administrative accountability.

As a result, the State party does not allocate its resources very effectively to fulfill Covenant rights. Health and education spending accounted for only 5.7% of GDP between 1990 and 2008, for example.<sup>22</sup> By contrast, estimates of the size of the military economy range from 5% to 40% of GDP, though no accurate figures are available due to the exemptions from oversight the military enjoys; now further entrenched expert committee's proposed constitutional amendments.

Despite the urgent need for reform, reducing the budget deficit should not be an end in itself. For example, almost 10% of GDP is spent on subsidies. Nevertheless, the problem is not merely that fuel subsidies are an inefficient use of resources or that they represent a massive drain on the

<sup>&</sup>lt;sup>21</sup> Council of Ministers, 'The National Program for Economic and Social Reform: Fiscal and Monetary Policies' (November 2012) Available at: http://gate.ahram.org.eg/Media/News/2012/11/28/2012-634897169281578176-157.pdf [Arabic only].

<sup>&</sup>lt;sup>22</sup> United Nations Development Programme, Arab Development Challenges Report 2011: Towards the Developmental State in the Arab Region (February 2012), at p.28.

public budget. The real crisis is that the benefits of most subsidies (especially on fuel) are not equitably shared. The World Bank estimates that the richest quintile benefits from 60% of the country's fuel subsidies.<sup>23</sup> Despite the inefficiency of the fuel subsidy regime, subsidies help to keep many people out of poverty; simply removing them would have significant impoverishing effects. Therefore, the Egyptian government needs only to restructure the subsidies framework to reach those citizens that deserve it.

Just as Qatar provided financial assistance through loans and other forms of imbursements while Morsi was in power, the governments of Kuwait, Saudi Arabia and the United Arab Emirates are offering assistance, which the interim administration is intending to use to launch what has been termed Egypt's "Marshall Plan". The Gulf nations have promised to support Egypt with any necessary loans in the case that aid is cut from the West, and have in fact already deposited a total of USD \$12bn in loans, following the interim government's appointment in July 2013.<sup>24</sup> While loans can be beneficial for increasing foreign currency reserves, they can have a detrimental impact on the economy as a whole; as the budget allocated to paying off loans increases, which in turn increases the budget deficit for many years. Additionally, loans are not a sustainable source of revenue for the public budget. Instead of looking for loans as a solution, alternatives should be sought in the local economy to finance the budget.

While successive governments have claimed their available resources for key economic and social programs are tapped, it is important to note that Egypt's public revenues are quite low when compared to other middle income countries. World Bank data shows that Egypt's tax-to-GDP ratio is considerably lower than comparable countries. The government relies on a tax policy that prioritizes reducing the number of income brackets and imposing a similar tax rate across a bracket, despite significant disparity in income levels.<sup>25</sup> Thus, reforming tax policy could have been utilized as a manner to increase taxes on the higher-income brackets.<sup>26</sup> However, Egypt lowered the individual income tax of the top income bracket in 2009.<sup>27</sup> Further, Global Financial Integrity estimates that the Egyptian public coffers lost on average \$3bn per year to illicit financial flows between 2001-2010. Yet policies to combat this corrosive phenomenon are not apparent. Likewise, proposals to conduct a national debt audit to determine the legitimacy of debts contracted under Mubarak have largely been ignored.

It would be a sad irony if the policies of an administration claiming to be supporting a people's revolution make the very same mistakes as the past, especially by failing to mobilize the maximum of available resources for the equal enjoyment of Covenant rights, and for the realization of the basic social and economic entitlements.

# 11. The state party should begin to implement a significant stimulus package which invests in social protection, education, health, social housing and other needed infrastructure, especially for the most disadvantaged segments of the population.

<sup>&</sup>lt;sup>23</sup> World Bank, *Inclusion and Resilience: the way forward for social safety nets in the Middle East and North Africa* (2013), p.24.

<sup>&</sup>lt;sup>24</sup> 'Egypt plans quick steps to spur economy, then 'Marshall Plan', Ahram Online (July 29, 2013).

<sup>&</sup>lt;sup>25</sup> EIPR, 'The Illusion Dispelled', above n **3**, at p.12.

<sup>&</sup>lt;sup>26</sup> UNDP, *Arab Development Challenges*, above n 26, at p. 50.

<sup>&</sup>lt;sup>27</sup> UNICEF, *Identifying Fiscal Space: options for economic and social development for children* (December 2011), p. 13.

12. While the reform of fuel subsidies is needed, it needs to be accompanied by a social security net and clear plan for price controls. The State party should compile disaggregated statistical information with a view to identifying the individuals and groups that would be affected by subsidy reforms and increase the effectiveness of its efforts to protect their economic, social and cultural rights.

13. The State party should consider all possible measures, including adopting a more transparent, effective and progressive tax regime to generate resources to support social transfers to mitigate inequalities exacerbated by the country's crisis and to ensure that the rights of the disadvantaged and marginalized individuals and groups are not disproportionately affected.

14. To be legitimate and sustainable, the process to arrive at these essential economic reforms should be complemented by civil society participation and institutional modes of monitoring and evaluating the impact of fiscal policy on development and human rights outcomes. This would require, as an actionable first step, the adoption of right to information legislation, including provisions to ensure transparency over the military budget.

#### Article 3 Equal rights for men and women

Women in Egypt continue to widespread discrimination and deprivations of their economic, social and cultural rights. Discrimination in employment, wages, and work conditions prevent many from enjoying their economic rights. Women generally have less access to basic social services such as health and education. They also face restrictions in terms of marriage, divorce, and alimony. Worryingly, women human rights defenders have been facing epidemic levels of sexual violence.

According to CAMPAS, female unemployment was 24% in 2012, compared to 9% among men. Women make up a much smaller percentage of the labor force than men, as only 22.4% of individuals (15 years and over) participating in economic activities were women. According to the latest official statistics, only 2.6 million females worked for financial compensation in 2012, compared to 12.1 million males. Women also face wage disparities in the private sector,<sup>28</sup> as well as other forms of discrimination in the workplace, including sexual harassment, arbitrary suspensions, and less access to health care. There are some laws in place that protect some rights for women in the workplace, such as nurseries and maternity leave. However, such laws are not being enforced. Further, there is no overarching state policy on ending discriminatory practices.

Divorce is another arena where women face blatant discrimination. While men can unilaterally end a marriage, without resorting to court, or citing reasons, women cannot do so. The Personal Status Law 1/2001 allowed a woman to go to court to ask for divorce, but to do so, she must renounce all her financial rights and entitlements, including dowry, alimony and child support.<sup>29</sup>

<sup>&</sup>lt;sup>28</sup> M. Ezzat, 'Women and Social and Economic Rights', *New Woman Foundation* (2012). Unpublished research paper, citing CAPMAS statistics [Arabic only]. <sup>29</sup> N. Sonneveld, 'The Implementation of the "Khul'Law" in Egyptian Courts: some preliminary results', *Recht Van* 

de Islam, Vol.21 (2004).

This is notwithstanding the lengthy court proceedings, and the public disdain of the idea of a women initiating divorce.

Women's rights activists and women human rights defenders have increasingly been victims of rape, sexual assault and abduction, especially after February 2011.<sup>30</sup> The State party has persistently failed to prosecute perpetrators of these crimes. For example:

- Various human rights organizations documented serious violations against women human rights defenders while SCAF was in power, most notably the virginity tests conducted in March 2011 and the violent attacks on female protestors in December 2011.<sup>31</sup> All crimes related to the armed forces and its members fall within the jurisdiction of the military courts.<sup>32</sup> Accordingly, in October 2012 the prosecutor-general forwarded all complaints<sup>33</sup> filed against Field Marshall Hussein Tantawi and Sami Anan, Chief of Staff of the Egyptian Army, and any former members of the SCAF to the jurisdiction of the military courts. However, there have been no known proceedings against Tantawi or Anan. The lack of independence and lack of transparency in the military judicial system fosters impunity for human rights violations committed by military personnel.
- On December 5, 2012, El-Ethadiyya Palace (the presidential palace) witnessed violent clashes. President Morsi's supporters targeted female activists, who were sexually harassed.<sup>34</sup> The day before the protests, Dr. Hisham Qandil, Egypt's Prime Minister at the time, stated the protestors at El-Ethadiyya Palace "are responsible for protecting themselves".<sup>35</sup>
- During the demonstrations on January 25, 2013, assaults on women human rights defenders and women generally reached an unprecedented level. Nineteen cases of gang rape were reported in Tahrir Square and its surroundings, including two cases of rape using sharp tools.<sup>36</sup> The authorities' only reaction was a statement by the Human Rights Committee of the Shura Council, which condemned the women for "choosing to go to areas where there is a lot of prostitution."<sup>37</sup> It is noteworthy that the Shura Council was in control of legislative authority at the time, which makes such statements even more alarming.
- The attacks against women human rights defenders and women in general reached unprecedented levels in mid 2013; 186 cases of sexual assault, including some cases of rape with sharp objects, were registered in Tahrir Square alone between June 28 and July 7, 2013.

<sup>&</sup>lt;sup>30</sup> Nazra for Feminist Studies, 'The President, his Group, and the Government Must Cease their Policy of Targeting Female Activists and Excluding Women from the Public Sphere', *Joint Statement* (December 2012).

<sup>&</sup>lt;sup>31</sup> For more information on violations under the SCAF's rule, see Nazra for Feminist Studies, 'Year of Impunity:

violations committed against human rights defenders in Egypt from August to December 2011' (September 2012). <sup>32</sup> This continues to be the case under Article 19 of the 2013 constitutional decree

 $<sup>^{32}</sup>$  This continues to be the case under Article 19 of the 2013 constitutional decree.

<sup>&</sup>lt;sup>33</sup> The complaints against Tantawi and Anan are for their responsibility, as leaders of the ruling SCAF, for the killing of hundreds of protesters during the transitional period between the ouster of Mubarak in February 2011 and the election of Mohamed Morsi in June 2012.

<sup>&</sup>lt;sup>34</sup> Nazra for Feminist Studies, *Joint Statement*, above n 30.

<sup>&</sup>lt;sup>35</sup> S. Surour, 'Qandil: Itihadeya Protestors Responsible for own safety, there will be no dictator in Egypt', *Al-Masry Al-Youm* (December 4, 2012) [Arabic only].

<sup>&</sup>lt;sup>36</sup> Nazra for Feminist Studies, 'Sexual Violence against women and the high rates of mass rape in Tahrir Square and surrounding areas', *Research Paper* (February 4, 2013). Available at: <u>http://nazra.org/node/196</u> [Arabic only].

<sup>&</sup>lt;sup>37</sup> M. Gharib, 'Human Rights in the Shura Council: females participating in demonstrations contribute 100% to their rape', *AlMasry AlYoum* (July 11, 2013). Available at: <u>http://www.almasryalyoum.com/node/1463626</u> [Arabic only].

The assaults reached a peak on June 30, witnessing 46 cases, and the night of 3 July and early morning of 4 July, with 80 cases. The Muslim Brotherhood blamed the women for their own assaults and made comparison between the protest in Tahrir Square calling for the overthrow of the Muslim Brotherhood regime and the pro-Muslim Brotherhood protest in Rabaa al-Adawiya Square, in an attempt to defame the Tahrir protestors, instead of calling on the state to carry out its responsibility in addressing those attacks.<sup>38</sup>

In its continued inaction, the State party has clearly abandoned its commitment to protect women from assault. This amounts to complicity in targeting female demonstrators, in order to intimidate women from protesting. On March 24, 2013, following the rape and sexual assaults cases that occurred in Tahrir Square on the second anniversary of the revolution, the Morsi government formed an initiative to support Egyptian women's rights and freedoms. The initiative discussed issues including sexual harassment and women's social and economic rights.<sup>39</sup> However, the initiative did not produce any positive results, as the recommendations that have been announced were vague and non-binding, using restrictive terms, and focusing on Egyptian "cultural specificity" without defining what it is.

In May 2013, a new unit was established to combat crimes of violence against women, which includes women psychologists, psychiatrists, neurologists, and police officers. However, the mechanics of this unit are still unknown. During the signing of the protocol with the National Council of Women, Ambassador Mervat Tellawi stated that security is not just the responsibility of the Ministry of Interior, which indicates a continuing pattern of the state downplaying its responsibility in addressing crimes of violence against women.

### 15. The State party must take steps to prosecute individuals responsible for harassing and assaulting women protesters and women human rights defenders.

16. The State party should introduce further legislative amendments to eliminate all forms of discrimination and violence against women in private as well as in public spheres. It should adopt temporary special measures aimed at reducing the wage gap between men and women. The State party should take more stringent and effective legal and practical measures, including through the use of the media and education, to address the historical discrimination and inequality, cultural barriers and patriarchal attitudes in order to counter inequality between the sexes and discrimination and violence against women.

#### Article 4 Rights Limited Only By Law

A number of laws and practices related to NGO activity, the right to strike and to form unions, restrict rights in ways that that are not compatible with a democratic society and that jeopardize the essence of the right concerned, contrary to Article 4 of the Covenant.

<sup>&</sup>lt;sup>38</sup> Nazra for Feminist Studies, 'Brutal Sexual Assaults in the Vicinity of Tahrir Square and an Unprecedentedly Shameful Reaction from the Egyptian Authorities', *Joint Statement* (July 3, 2013).

<sup>&</sup>lt;sup>39</sup> A. Anwar, 'Egyptian President's Morsi Initiative to Support Women's Rights', *Washington Times Communities* (April 8, 2013).

It was anticipated that the post-revolution period would see a plethora of new legislation to rectify the wrongs of the previous regime; yet many of the new laws have failed to meet such expectations. In fact, several laws continue to restrict rights in ways that that are not compatible with a democratic society and that jeopardize the essence of the rights concerned, contrary to Article 4 of the Covenant.

In 2013 the Shura Council revised Law 84/2002 on the regulation of non-governmental organizations, despite strong opposition. However, with the shift of legislative power from the Shura Council to the interim administration, the status of the law remains unknown. The draft law severely constrains the activities of civil society organizations and gives a great deal of power to the government in monitoring and restricting the activity of CSOs when it sees fit.<sup>40</sup> In June 2013, 43 civil society workers were arrested and four non-governmental organizations were closed based on allegations they used foreign funds without a license. This crackdown reflects a trend of narrowing the space of engagement for CSOs.

On a similar note, Law no. 35 of 1967, which regulates syndicate activity, has seen many attempts for reform in the past couple of years. This law was previously criticized by independent syndicates and trade unions for giving too much power to the government in regulating and controlling independent syndicates. After a series of failed attempts to amend it, the former Minister of Manpower and Immigration made unilateral decisions to amend the law. However, he added a number of clauses that further stifle syndicate activity; including a condition that syndicates must be officially registered with the Ministry, which means that the 1000+ independent syndicates which are registered with the Ministry.<sup>41</sup>

Additionally, Law 34/2011 criminalizes participating in a strike or any activity that can delay or stop work during times of "emergency". In November 2012, President Morsi enacted Law No. 96/2012 for "the protection of the revolution", which rearticulated that emergency law will apply to cases of "attack on the right to work".<sup>42</sup> While the status of Law 96/2012 remains unclear, the current legislative framework remains short of protecting the right to strike, with Law 34/2011 remaining in power at times of emergency.<sup>43</sup> It is noteworthy that the Emergency Law was activated in August 2013, following the dispersal of the Pro-Morsi sit-ins. This means that whichever institution has legislative powers still retains the right to activate the Emergency Law when it sees fit, which in turn threatens the right to strike.

The State party still maintains a number of norms and regulations that discriminate against people living with HIV and people with Hepatitis C and B. Some decrees prohibit people living with HIV from holding certain governmental posts. These include a decree by the Minister of Health and Population (decree 184/2001) for posts in the public prosecution and for posts in the Suez Canal General Authority (decree 463/1995) and by the Minister of Defense for those in the military service (decree 227/1991). Furthermore, twelve men were arrested on the grounds of

 <sup>&</sup>lt;sup>40</sup> Human Rights Watch, 'Egypt: New Draft Law an Assault on Independent Groups', *Statement* (May 30, 2013).
<sup>41</sup> N. Rafaat, 'The Independents Open Fire on Al-Azhary', *Al-Ahram Masaay* (October 28, 2012). Available at: http://digital.ahram.org.eg/articles.aspx?Serial=1077523&eid=1953 [Arabic only].

<sup>&</sup>lt;sup>42</sup> CTUWS, 'The Condition of Egyptian Workers one year after', above n 17.

<sup>&</sup>lt;sup>43</sup> CTUWS, 'Egyptian Draft constitution: a step forward, a step backwards' (26 August 2013). Available at: <u>http://www.ctuws.com/default.aspx?item=1300</u> [Arabic only].

their actual or suspected HIV status in 2008. Human rights violations were committed against these men, including mandatory HIV testing, torture and ill-treatment.<sup>44</sup> Decree 463/1995 by the Minister of Health also discriminates against people with Hepatitis C and B.

17. The State party must establish legal guarantees to enable NGOs to carry out their activities for the promotion and protection of economic, social and cultural rights without arbitrary State interference. In particular, the state party should amend law 84/2002 with a view to granting NGOs independence in carrying on activities, and limiting the restrictions on funding, as well as simplifying NGO registration and reporting procedures.

18. The State party must enforce a law to protect trade union freedoms and guarantee the right of professionals, workers, peasants, and others to organize and establish trade unions, allowing trade union pluralism. The articles of the labor law must be modified to conform to trade union freedoms as enshrined in the Covenant.

#### **III. ISSUES RELATED TO SPECIFIC PROVISIONS (ARTS 6 – 15)**

#### Article 6 Right to Work

Unemployment and underemployment, especially among young people, continues to be a driver of social unrest, yet the State party has so far failed to effectively implement a national plan to promote job creation and move progressively towards the full realization of the right to work.

High levels of unemployment, especially amongst youth, played a major role in the uprisings in Egypt. ILO statistics indicated that between 2006 and 2010, Egypt's unemployment rate averaged 9.1%. The intergenerational disparities are stark; unemployment among adults was 4% in 2010, compared to 27.3% among youth. Given the notable youth bulge in Egypt—young people between the ages of 18-29 made up 23.6% of the population in 2012—the economic costs of this situation are enormous. Unemployment figures, although high, do not really capture the full problem of joblessness in Egypt. International definitions consider the unemployed to be those who are not working for at least one hour a week and *actively searching for a job*. Statistics on joblessness exclude people who have given up searching. The 2009 Survey of Young People (SYPE) estimated that the joblessness rate among Egyptians aged 15-19 was 60%.

The economic crisis of the past two years has worsened unemployment even further; this has been a major driver of the ongoing protests and social unrest. CAMPAS statistics show that unemployment climbed to 13.2% in the first quarter of 2013. Unemployment is higher in urban areas, reaching 17% in 2012, compared to just under 10% in rural areas. Women too have been particularly affected. The female unemployment rate increased from 18.6% in 2009 to 24.1% in 2012, compared to 9.3% for men in the same year. According to CAPMAS statistics, almost one third (28.3%) of young people are unemployed. Again, the rate is much higher for young women; almost half (49.7%) are unemployed, compared to 21.3% of young men.

<sup>&</sup>lt;sup>44</sup> Human Rights Watch, 'Letter regarding Arrests and Prosecution of people living with HIV/AIDS' (April 7, 2008).

19

Egypt has historically had a large public workforce, with a significant proportion of jobs being created in this sector. According to one study, 68.1% of employment in Egypt is reported to be in the public sector and about 45% of all new formal jobs (about 260,000) created between 1998 and 2006 were in the public sector.<sup>45</sup> The contraction of the public sector has therefore had a major impact on unemployment in Egypt. The government must urgently present a solid plan for increasing employment. In the context of its current unemployment crisis, the state must be able to act as employer of last resort until domestic private companies can create more jobs. Instead, Egypt could well be in store for even more job-destroying privatization and labor market deregulation. In this regard, it is noteworthy that the job opportunities made available by the Fund for Local Development, which supports small and medium enterprises, as well as providing production-oriented jobs to the unemployed in order to increase the standard of living in rural areas, decreased by almost a third (28.5%) from March 2012 to March 2013 according to CAPMAS statistics.

In addition, state policy dealing with unemployment needs to factor in the problem of underemployment. Underemployment has long been Egypt's prime problem with secondary and university graduates. Because the vast majority of jobs created in the informal sector have no job security, low productivity and thus low wages, they do not meet the demand of secondary education and university graduates. This is shown through the high unemployment rates that they suffer, compared to other, less educated, sectors of society.

Egyptian workers supported the June 30 demonstrations and the interim administration that was subsequently installed. But their hopes for better protection of their rights soon disappeared. The interim administration continues to fail to enforce the labor laws protecting workers in cases of official factory closures. For example, the informal process of closure of six factories of *Al Sweidi Co.* resulted in the firing of 1600 workers. The interim administration has also been silent on the possibility of reopening more than 4600 public and private factories that stopped working over the past 3 years, thus denying many workers their daily bread.<sup>46</sup> For instance, the Suez Steel Company's chairman declared in August 2013 that they won't reopen the plant, citing losses, although the factory's union found that the firm donated approximately \$430,000 (three million EGP) to the government for "national reconstruction".<sup>47</sup> The manufacturing sector is the largest source of employment in the country, so rehabilitating it should be a priority.

19. The state party should develop a coherent policy that aims at reducing unemployment rates and moves progressively towards the full realization of the right to work. The committee recommends that active labor market policies, including highquality vocational training programs for youth, especially for the long-term unemployed, be prioritized. The committee calls on the state party to take all measures to re-open closed factories, whether public or private, in order to ensure more job opportunities.

<sup>&</sup>lt;sup>45</sup> D. Angel-Urdinola and K. Tanabe, 'Micro-determinants of Informal Employment in the Middle East and North Africa', *SP Discussion Paper No.1201, World Bank* (January 2012).

<sup>&</sup>lt;sup>46</sup> S. Sahoo, 'Toyota Among Foreign Firms in Egypt Shut-Down', *The National* (August 18, 2013).

<sup>&</sup>lt;sup>47</sup> M. Gruenberg, 'Suez Steel owner refuses to reopen plant, adding to Egypt's woes', *People's World* (August 22, 2013).

## 20

#### Article 7 Conditions of Work

Frequent workers' strikes and protests have continued in Egypt in response to the State party's failure to address poor working conditions, including low wages, inflexible hours, unfair dismissals, a lack of insurance and medical benefits, and lack of employment security.

There is a lack of "decent" jobs in Egypt; many people work in low income jobs, mostly within the informal economy, that have poor working conditions, no benefits in the form of pension schemes or medical insurance, and where employees have no work contract, while employers and self-employed workers often have no work permits and are mostly not registered.<sup>48</sup> According to the 2009 SYPE, only 24.6% of employed youth have health insurance and about 35% have social insurance, for example. Harsh working conditions, inflexible hours, and unjustified collective lay-offs are features of both formal and informal employment, and were reportedly among the most common causes for the thousands of worker-led demonstrations held throughout 2012. <sup>49</sup> Even still, the formal, public sector saw the greatest number of demonstrations, with 1381 in 2012, and a total of 3141 in 2012-2013, about 40% of all social and economic protests nationwide.<sup>50</sup>

The current size of the informal sector is not clear. However, data from 2006 Labor Market Panel Surveys suggests that 58.3% of all Egyptian workers were informally employed, including 42.6% of urban workers and 70% of rural workers. The highest levels of informality are found among workers aged 15-24 (87.1%), compared to those aged 25-34 (61.4%), 35-54 (43.4%), and 55-64 (51.2%). It is noteworthy that in 2011 46.7% of working women in Egypt were informally employed according to CAPMAS. ILO data from 2009 similarly estimated that 51.2% of all people employed in non-agricultural employment were informally employed. Moreover, the 2009 SYPE showed that only 15.7% of young workers had a signed contract with their employers, and only 14.8% had social insurance benefits.

The state has so far failed to take action to address working conditions in Egypt. The State party report fails to address working conditions in Egypt's informal sector, reflective of state policy, which tends to ignore the existence of the informal sector. For example, Law No. 105/2012, issued in December 2012, increased the penalty against street vendors, stipulating a prison penalty of periods ranging from 1 to 3 months, and dramatically raising the fines from 5 EGP to a fine ranging from a 1,000 to 5,000 EGP.<sup>51</sup>

For a good part of two decades, real wages in Egypt have either declined or stood still while labor supply continued to outgrow labor demand. Laws related to the minimum wage have seen a great deal of volatility. In 2010, the Egyptian Center for Economic and Social Rights (ECESR) sued the government for a suitable minimum wage. The court held that the government must increase the national minimum wage, in line with inflation rates and price increases. The National Wage Council then set the minimum wage at EGP 400 in late 2010; though this number was again criticized as inadequate for the cost of living at the time. In July 2011, the minimum

<sup>&</sup>lt;sup>48</sup> G. Barsoum, 'No Jobs and Bad Jobs', *The Cairo Review of Global Affairs* (July 12, 2013).

<sup>&</sup>lt;sup>49</sup> ECESR, '2012 Social Protests: Cry of the People' (January 1, 2013).

<sup>&</sup>lt;sup>50</sup> ECESR, 'Protest Mapping Database', online at <u>http://esep.info/node/646</u> [Arabic only].

<sup>&</sup>lt;sup>51</sup> CTUWS, 'The Condition of Egyptian Workers one year after', above n 17.

wage was increased to EGP 684, but only for official permanent government employees, but not temporary employees and the private sector. Article 14 of the 2012 constitution, while declaring the need for a national minimum wage, tied wages to productivity, contrary to the court's decision in 2010.<sup>52</sup> The Shura Council was reviewing a draft law on minimum wage before it was dissolved. This draft law was criticized for its inattention to inflation in prices and for tying wages to productivity.<sup>53</sup> After hesitating in passing the minimum wage, the transitional government decided on 18 September 2013 to set the minimum wage at 1,200 EGP, but only for workers in the public sector and the government, starting from January 2014.<sup>54</sup> Despite the importance of such a step, it still lacks basic elements, mainly in determining how to reevaluate the minimum wage based on high inflation and rising prices, and propagating the minimum wage for all workers in the private sector. There must also be more effort to reach the informal sector, to encourage it to join the formal sector, and to guarantee the minimum wage. Finally, one the most problematic aspects of the decision is setting the minimum of 1,200 EGP for the total income, not the wage. This means that the overall income of rewards, incentives, and other sources of income must total more than 1,200 EGP, which eliminates the guarantee of a fixed remuneration that covers the daily needs of citizens.

20. The state party should amend its legislation with the aim of passing unified labor laws that govern the public and private sectors, and grant workers the rights as enshrined in the covenant (Art. 7) and ILO conventions. The state party should progressively implement the legal minimum wage and amend the constitution to tie wages to prices and inflation rates.

#### Article 8 Trade Unions and the Right to Strike

Workers in Egypt face restrictions on forming trade unions and crackdowns on strikes, sometimes violently. The State party's failure to respect the right to association, especially its failure enact clear legislation that ensures the recognition of independent trade unions, is a concern.

It is becoming ever more difficult for workers to advocate for their rights. It is not uncommon for both the owners of private businesses and the government to resort to violence in dealing with the demands of workers. There were many examples of this in 2012 and 2013. For instance, the workers of *Faragello*, a food and beverages company, as well as the *Titan* cement company, were assaulted on February 17, 2012 by police; they were cornered inside a mosque to be attacked by police dogs and thrown from the second floor, before 18 of them were arrested. More than 150 were injured, including 4 with major injuries.<sup>55</sup> However, the Minister of Interior, who organized the repression of workers strikes, including the *Faragello* and *Titan* workers, continues to hold his position in the interim administration. In other cases, workers have faced military trials, such as the workers from a container company in Alexandria and from SUMED Company in Suez, among others.

<sup>&</sup>lt;sup>52</sup> N. Youssef, 'Egypt's Draft constitution Translated', *Daily News Egypt* (2 December 2012).

<sup>&</sup>lt;sup>53</sup> 'Draft Law for Minimum and Maximum Wage,' Daily News (4 February 2013).

<sup>&</sup>lt;sup>54</sup> A. Feteha, 'Egypt's new minimum wage: Crunching a squeezed budget', *Ahram online* (20 September 2013).

<sup>&</sup>lt;sup>55</sup> ECESR, 'ECESR condemns State Violence in the dispersal of workers strike in Portland Titan Cement Alex. Co', *Press Statement* (February 12, 2013) [Arabic Only].

This large number of strikes came despite the law issued in early 2012 banning the right to strike, as discussed earlier. This law received much criticism. This was followed in November 2012 by Law 96 "for the protection of the revolution," which, among other issues, criminalized strikes once more. Dozens of workers were taken to court to face charges of striking, including five workers from the *Alexandria Container and Cargo Handling Co.*, who were sentenced in 2012 to prison terms ranging from 3-5 years, and were only recently set free by the Muharram Beik Appeal Court on the 16 June 2013.<sup>56</sup> For instance, Labor Law No.12 of 2003, which should organize the right to strike and other protest-related activities, places a clear limitation on the right to strike as granted by international conventions. The 2012 constitution, as well as the 2013 draft constitution continues to disregard the right to strike. Article 14 of the draft constitution of 2013 stipulates "peaceful strike is a right organized by the law", thus denying the workers the constitutional protection and shifting the judgment back to the unfair legislation.

The interim administration continues to meet workers' strikes with violence—with the renewed involvement of the military forces. For example, on August 12, 2013 military forces crushed a 15-day strike by Suez Steel Co. factory workers, injuring many workers and arresting three of the leaders of the strike; this was accompanied by the company firing 15 workers who were union representatives and threatening to fire more than 1000 workers.<sup>57</sup> Two weeks later, the workers ended their strike after promises of a return to work, and releasing the 3 arrested workers in 22 August 2013.<sup>58</sup>

In response to these crackdowns on workers' actions, many workers are resorting to forming trade unions. Despite facing many obstacles, over 1,500 trade unions were formed by 2013, with membership exceeding 2.5 million workers, a remarkable number when compared to the 4 million workers members in the formal trade unions dating back to the mid-1950s.<sup>59</sup> However, many of founding figures of trade unions have also been arbitrarily laid-off.<sup>60</sup>

The 2012 constitution introduced barriers to trade unions in Egypt. Specifically, Article 53 only allows one union per profession/industry. This is a clear violation of the right to form associations, as protected by Article 8 of the Convention, as well as by ILO Convention No.87 on Freedom of Association and Protection of the Right to Organize, which Egypt ratified in 1957. This restriction on plurality threatens the independence of unions and is particularly troubling given Egypt's history of corrupt, state-controlled unions.<sup>61</sup> Under Article 10 of the 2013 Constitutional Decree, citizens have the right to form assemblies, associations and trade unions and parties 'as provided for by law.' This is distinct from the 2012 constitution, which allowed for their establishment 'by notice.' The formation of association now has to be done through a procedure set out in law, which is not known yet. The Article also prohibits the

<sup>&</sup>lt;sup>56</sup> S. Shawada, 'The Workers of Alexandria Container found innocent of strike, causing losses to industry charges, *Al-Shorouk News* (June 16, 2013) [Arabic only].

<sup>&</sup>lt;sup>57</sup> ECESR, 'We refuse the Military aggression against Suez Steel workers and demand that arrested workers are set free', *Press Release* (August 21, 2013) [Arabic only].

<sup>&</sup>lt;sup>58</sup> M. Hussein, 'Workers at Suez Steel End Month-Long Strike', *Ahram Online* (August 22, 2013).

<sup>&</sup>lt;sup>59</sup> J. Charbel, 'Labour Law Stalled as Independent Unions Struggle for Representation', *Egypt Independent* (June 26, 2012).

<sup>&</sup>lt;sup>60</sup> ECESR, '2012 Social Protests', above n 49.

<sup>&</sup>lt;sup>61</sup> J. Charbel, 'Egypt's constitution seen to curtail labor rights and workers freedoms', Egypt Independent (January 22, 2013).

formation of associations whose activities are hostile to 'social order' or whose activities are secret; an ambiguous wording that could be used to restrict union organizing.

In June 2013, Egypt was reportedly added to the ILO's Special Cases list, also known as the blacklist. Notably, Egypt had been removed from the list in 2011, but was blacklisted again amidst complaints from workers and unions about the state's failure to respect the rights to association, especially its failure to enact legislation that ensures the recognition and accommodation of the independent trade unions.<sup>62</sup>

21. The State party must amend its legislation on the right to assembly, in compliance with the requirements of the Covenant, in the aim of advancing union freedoms, recognizing independent labor unions, and granting them equal rights to the formal labor unions.

#### Article 9 Social Security

Egypt has adopted an approach to social security that relies primarily on a contributory social insurance system that suffers from low coverage, supplemented by inefficient and regressive universal subsidies. More effective interventions, such as conditional cash transfers, unemployment benefits and quality, universal healthcare are crowded out as a result.

Egypt's social insurance system provides old-age, disability, survivors, sickness, maternity, work injury and unemployment benefits to workers and their dependants. The system is mainly regulated by four laws (law 79/1975, law 108/1976, law 50/1978, and law 112/ 1980). Each covers a certain category of employees. The National Organization for Social Insurance (NOSI) is responsible for managing social insurance funds, which include the Government Social Fund (GSF) and the Private and Public Business Social Fund (PPBSF).<sup>63</sup> Despite the multiple laws providing insurance for the various sectors, CAPMAS data shows that the number of insured decreased overall from 19 million in 2004/2005 to 16.7 million in 2010/2011. Reports by NOSI also indicate a drop in the numbers of insured, in addition to the decrease in the number of new subscribers to the two funds to around 774,000 individuals, which is 2% less compared to the previous fiscal year (789,000 individuals). The drop in the number of new subscribers was accompanied by the increase in the number of those leaving the service (for retirement and other reasons) to 654,000, compared to 599,000 in the previous fiscal year, rising by 9.2%.<sup>64</sup>

Furthermore, there is a clear inconsistency in the level of coverage among public and private sector employees. There are 5.5 million public sector workers in Egypt who pay EGP 19.1bn in annual contributions, while 17.9 million work in the public business and private sector who only pay EGP 13.6bn in subscriptions. This indicates that a high percentage of workers in this sector are either not insured or insured at a nominal salary to reduce the amount of contribution by the employers. Coverage within the private sector is also inconsistent. For example, the CAPMAS labor force report indicated that only 57.6% of private sector workers within facilities do not

<sup>&</sup>lt;sup>62</sup> M. El-Fiqi, 'Egypt on the Blacklist', *Al-Ahram Weekly* (June 11, 2013).

<sup>&</sup>lt;sup>63</sup> I Selwaness, 'Rethinking Social Insurance in Egypt: An Empirical Study', paper presented to the 18th ERF Annual Conference (March 25, 2012).

<sup>&</sup>lt;sup>64</sup> NOSI, Annual Report 2009/2010, p 3.

enjoy social insurance, compared to 87.7% for private sector workers outside facilities. This indicates the need for greater efforts to ensure the equal inclusion of the private sector in social insurance schemes. The fund for public and private business sector workers is witnessing a rise in those leaving the service for non-retirement reasons by 9.2%, compared to the previous year, reaching 484,000 thousand cases. This is an indication of the instability of labor relations in the private sector, which dismissed almost half a million workers from their jobs before reaching retirement age and thus removed them from the insurance system.

The social insurance system saw a rise in the real value of subscriptions to EGP 13bn in 2000/2001 to EGP 32.8 in 2010/2011, while allocated pensions and compensations reached EGP 41.1bn. The social insurance system in Egypt managed to create a cumulative surplus of more than EGP 460bn, but the State forced NOSI to transfer them to the National Investment Bank. Following the accumulation of debt and the decrease in the government interest rates and its failure to pay for the pensions system, the government incorporated the pensions funds in the Treasury, despite being private money property of the insured. It also abolished the Ministry of Social Insurance and issued a social security instrument worth EGP 198bn. However, it did not clarify how it will pay off the accumulated insurance funds, with the falling value of wages and pensions under hyper-inflation rates.

This being the case, the majority of workers in Egypt, furthermore, work in informal small businesses or are self-employed in agriculture. As a result, they are excluded from social insurance systems, even though cost estimates prove that extending social insurance to all Egyptian workers is affordable. Law No.112 of 1980, regarding insurance of labor in the unregulated private sector, has been suspended. As a result, the majority of employees in Egypt are not part of the social security net, and are therefore deprived of basic state protection from poverty and income support.

Another social security scheme in Egypt is pensions for those who did not pay social insurance contributions during their employment. Pensions benefit around 1.2 billion people and whose disbursed value is around EGP 1.4bn. This puts the individual/family share from social security at EGP 97 per month (around \$14). In light of high inflation levels in the country, it is not surprising that even those benefitting from pensions do not find it adequate to fulfill of their basic needs.

The State party also has a system of social welfare assistance. As indicated above, this is mainly in the form of subsidies. According to the World Bank, Egypt's fuel subsidies accounted for 6% of GDP and food subsidies and ration cards 2% in 2009, compared to 0.11% for non-subsidy social protection schemes.<sup>65</sup> The non-subsidy programs it does have, are small, fragmented and do not have a significant impact on poverty and inequality because of their low coverage, high leakage, and limited benefit levels. The World Bank estimates that only 15% of the poorest income quintile benefits from non-subsidy social protection schemes (compared to a global average of 41%) and that their benefits only make up 10% of beneficiaries' welfare.<sup>66</sup>

<sup>&</sup>lt;sup>65</sup> World Bank, *Inclusion and Resilience*, above n 23, at p.16.

<sup>&</sup>lt;sup>66</sup> Above, p.19.

22. The state party should develop a national strategy for the full implementation of the right to social security, and should allocate adequate fiscal and other resources to this end. In particular, such a strategy should consolidate fragmented social protection schemes and prioritize those targeted towards mitigating the risks facing the poor and vulnerable. Efforts to increase social insurance coverage among informal-sector workers should also be urgently prioritized.

#### Article 10 Family and Children

The State party has taken inadequate action to protect children and young people from economic and social exploitation; child labor remains a reality for many, the majority of girls in Egypt continue to be subjected to female genital mutilation or cutting, and forced marriages remain prevalent in many traditional circles in Egypt, especially in governorates with strong tribal ties.

Child labor remains a bitter reality for many children in Egypt. According to CAPMAS statistics from 2010, at least 10.5% of children between the ages of 5 and 17 work. In rural Egypt, 31.3% of working children are between the ages of 12-14, compared to about 28% in urban governorates. Child labor in Egypt not only deprives children of developing and enjoying their childhood years, but also deprives them of their education, their health and security, and makes children vulnerable to different types of abuses. Notably, recent CAPMAS statistics have shown that a great majority of working children, about 82.2%, work under unsafe conditions, ranging from working with chemicals, to working in high temperatures or in smoke and dust-filled atmospheres. In addition, at least 16% of working children work for longer hours than are allowed by the children Law 12/1996, which allows for 6 hours daily. Lastly, almost 25% of all working children leave school before continuing their basic primary education

The 2013 draft constitutional amendments prohibits child labor "before passing the age of compulsory education" and does not make any exceptions. In this way, it has so far avoided the vague wording of the 2012 constitution, which had allowed for child labor if the jobs were deemed "fit" for children and did not cause the child to drop out of school.

The majority of girls in Egypt continue to be subjected to female genital mutilation or cutting (FGM/C), putting their health at great risk. Over 84% of girls aged 13 to 17 in Egypt have undergone FGM/C. This harmful custom is particularly dominant in rural Upper Egypt. While FGM/C the Egyptian Parliament agreed to criminalize FGM/C in the criminal code in June 2008,<sup>67</sup> the need for government-sponsored efforts to implement this decision and eradicate this practice is urgent, especially with the conflicting messages given by the parties in power. However, the scale of the national program's activities has been reduced. Outreach efforts must include community education through health workers and religious community leaders in order to protect the lives and bodily integrity of Egypt young girls, and put the 2008 law into practice.

Forced marriages remain prevalent in many traditional circles in Egypt, especially in governorates with strong tribal ties. For example, a 2010 field study conducted by the rights

<sup>&</sup>lt;sup>67</sup> UNICEF, 'Female Genital Mutilation/Cutting: a statistical overview and exploration of the dynamics of change' (July 2013).

organization Center for Egyptian Women's Legal Assistance (CEWLA) showed that 78% of married women in the governorate of Qena were forced into marriage without their consent. The study also showed that 86% of the sample interviewed don't have land ownership because the males in their families got all lands. The report makes a connection between land and forced marriages, showing that in the majority of cases women are forced into marriage to a relative in order to preserve the family or tribe's lands.

23. The State party should to intensify its efforts to combat child labor and protect children from all forms of sexual and economic exploitation, inter alia, by: (a) providing families with social security to avert the need for children to support families through work; (b) strengthening its national legislation prohibiting child labor in accordance with international standards and increasing the number of labor inspections in order to monitor compliance with its national legislation; (c) strictly enforcing the imposition of fines and criminal sanctions; and (d) organizing mandatory training for law enforcement officials, prosecutors and judges.

24. The State party should increase its efforts to prevent, combat and punish the practice of Female Genital Mutilation/Cutting, utilizing all effective measures, including educational campaigns and penalties against those responsible for such actions. It should use the media to clarify the negative impact of this practice and its implications on the health and rights of girls, women and their families.

#### Article 11 Adequate Standard of Living

Though reliable data is lacking, trends indicate that the availability, accessibility, affordability and quality of public services in Egypt is deteriorating as a result of the legacy of deregulation, privatization and shrinking government expenditure. Successive administrations have failed to take adequate legislative, administrative and, importantly, budgetary measures to overcome this.

#### Food Security

Egypt is listed as one of FAO's "Low-Income Food-Deficit Countries (LIFDC)" for 2013.<sup>69</sup> Relying on government data from 2009, the World Food Program (WFP) estimated that roughly a quarter of Egyptians are suffering from deficiencies in iron (21.6%), zinc (23%) and Vitamin A (26.5%). It has also calculated a child malnutrition index, based on data from the 2008 demographic health survey, which indicates that 16.4% of children in urban areas and 16.9% of children in rural areas suffer from malnutrition. A 2009 study by FAO showed that child malnutrition is very costly to the Egyptian Economy, reaching about EGP 20.3bn in health care, which is equal to 1.9% of the country's GDP. The same study estimated that lost working hours due to malnutrition amounted to EGP 20.3bn in 2009, which was around 1.03% of the GDP in

<sup>&</sup>lt;sup>68</sup> W. Desouky, 'Forced Tribal Marriages: Prisons without Judgement', *Nazra Feminist Studies* (December 27, 2012) Available at: <u>http://www.masress.com/shorouk/362702</u> [Arabic only].

<sup>&</sup>lt;sup>69</sup> Criteria for this classification include the net (i.e. gross imports less gross exports) food trade position of a country. Trade volumes for a broad basket of basic foodstuffs (cereals, roots and tubers, pulses, oilseeds and oils other than tree crop oils, meat and dairy products) are converted and aggregated by the calorie content of individual commodities.

2009. These rates are likely to be even higher now. An overwhelming majority (86%) of the most vulnerable households surveyed by the Egyptian Food Observatory in early 2013 indicated that they are unable to meet their food needs. In Qalyubia, Matrouh, and Cairo this figure is even higher: 100%, 98.7%, and 98.1% respectively.

State policies have exacerbated the food crisis in Egypt over the past 50 years. In particular, socalled agricultural restructuring from the late 1980s onwards led to the destruction of small-scale agriculture, employed by most peasants, in favor of intensive agriculture on a handful of large farms. First, the State party lifted subsidies on various agricultural materials, like seeds, fertilizers, pesticides, machinery, feed, and veterinary vaccines and serums. Second, it increased the cost of renting agricultural land, doubling land tax and raising interest rates on agricultural loans. The state also monopolized trade on farm products, such as crops, by the state and the private sector, in order to curb the prices of agricultural crops. This weakened peasants' returns from farming to a level that is insufficient for a decent life and gainful employment, which prompted massive numbers of small farmers to sell their land and migrate from rural areas. The real impact of agrarian reform has been to turn vast tracts of agricultural land into property for development for investors. Specifically, the Law on Agricultural Rents (96/1992) raised the cost of renting agricultural lands to levels that forced many to retire from farming and ad-hoc courts were formed to force farmers to leave their land. The introduction of foreign companies to the agricultural sector has also brought many changes. These companies apply methods of mass agriculture. Chemical fertilizers and pesticides replaced organic means of agriculture and attempts to find water-saving, disease preventing, sustainable agriculture were ignored. Furthermore, projects aimed at the reclamation of desert areas were neglected, and the few examples of land that actually was reclaimed were poorly distributed and mainly given to foreign investors and wealthy farmers.

Such policies have lead to widespread deprivations of the right to food, mainly due to a lack of economic access. The spike in inflation in the past three years has had a hugely negative impact in this regard, given Egypt's reliance on imported food. The Egyptian Food Observatory reports that food and non-alcoholic beverage prices increased by 13.8% between June 2012 and June 2013, with particular spikes in prices for specific items such as vegetables (21.3%) and breads and cereals (16.3%). The 15.54% increase in the price of locally produced wheat is particularly notable, given the decline in imported wheat in the country. In 2010, Egypt imported 59.5% of its wheat; this decreased to 51.9% in 2011 and was expected to decrease to 35% in 2012-13.<sup>70</sup> While urban areas remain more expensive for the majority of crops (67.1% of urban prices are higher), the gap in prices is decreasing, a reflection of the removal of subsidies in rural areas. Although these statistics on the right to food are useful, they do not shed light on the root causes of the country's food crisis, nor the barriers to addressing it.

The government has traditionally kept food prices down through subsidies, which have accounted for 1-2% of GDP over the past decade (by comparison, fuel subsidies accounted for 5-7%). There are two components to Egypt's food subsidies. The first component is subsidized bread, which accounts for 61% of Egypt's food subsidies.<sup>71</sup> The entitlement to subsidized bread

<sup>&</sup>lt;sup>70</sup> 'Wheat Production in Egypt, realities and numbers: An Infographic', *Al-Masry Al-Youm* (May 23, 2013). Available at: <u>http://www.almasryalyoum.com/node/1773861</u> [Arabic Only].

<sup>&</sup>lt;sup>71</sup> IFPRI, WPF and CAPMAS, 'Tackling Egypt's Rising Food Insecurity in a Time of Transition', *Policy Note* (May 2013), p.2.

is not restricted and distribution takes place on a first-come-first-served basis. Specifically, statesponsored bakeries had been provided with subsidized flour. However, in March 2013 the Morsi Government decided to cut flour subsidies, increasing the prices paid by bakeries for a 100kilogram bag of flour from EGP 16 to EGP 286, i.e. around 18 times the original price. While the government promised to buy bread at production prices and to resell to consumers in need at subsidized prices, this plan risks making citizens' access to subsidized bread more limited and harder to regulate. There have already been bread shortages in several Egyptian governorates in 2012; many citizens are unable to access subsidized bread since state-sponsored bakeries "remain uncommon in many rural areas".<sup>72</sup>

The second component is a system of ration cards that allow households to buy set quotas of commodities at subsidized prices from specific outlets. Approximately 80% of Egyptians benefit from these ration cards and they make up 39% of the country's food subsidies. However, there are concerns the ration card system suffers from poor and limited targeting; 73% of the households it covers are considered non-poor, while a fifth of the most vulnerable households are excluded.<sup>73</sup> For example, in 10 of the governorates sampled by the Food Observatory, on average 23.3% of vulnerable households do not hold a ration card for subsidized food. These numbers are even higher in the governorates of the Red Sea (47%), Cairo (31%) and Alexandria (28%). The Observatory also indicates that quantities of rationed foodstuffs are insufficient for a large number of households and need to be supplemented.

The WFP estimates that removing food subsidies could push national poverty estimates from 25.2% percent to about 34%. It recommends instead increasing efficiencies in the subsidy system, which can lead to savings that could be invested in more targeted food security and nutrition interventions as well as job-creating initiatives in poorer areas.<sup>74</sup>

25. The State party should provide information to the public on the manner in which flour subsidy reductions might impact the availability of subsidized bread and clarify the its plans to reduce the impact of the reductions on the enjoyment of the right to food. provide details on the outcomes and challenges of implementing the working plan on food security mentioned in the State party report (Item 204).

26. The State party should reevaluate its policies when dealing with subsidy reductions, especially food subsidies. The state must also study their human rights impact to ensure that such reforms provide an opportunity to fulfill, rather than infringe, on economic, social, and cultural rights of all Egyptians, especially the most disadvantaged.

27. The State party must reevaluate its agricultural policies, through, inter alia: (a) involving farmers of all organizational types in drawing up the plan for agricultural production; and (b) supporting small farmers to access farm lands and agricultural supplies.

<sup>&</sup>lt;sup>72</sup> M. Hussein, 'Egypt Bakeries Protest Planned Reduction of Flour Subsidies', Ahram Online (March 17, 2013).

<sup>&</sup>lt;sup>73</sup> IFPRI, *Policy Note*, above n 71, at p.3.

<sup>&</sup>lt;sup>74</sup> Above, at p.4.

#### Water and Sanitation

Egypt's reliance on the Nile as the main resource for water has proven to be problematic; the 55bn cubic meters it provides annually are becoming more inadequate, resulting in a stark water crisis. Average per capita fresh water availability in Egypt is on a steady decline, going from about 1893 cubic meters per year in 1959 to about 900 cubic meters in 2000, to 700 cubic meters in 2012.<sup>75</sup> It is estimated that this will continue to decline further to 670 cubic meters by 2017 and 600 cubic meters by 2025.<sup>76</sup>

The majority of the population (98%) has access to an 'improved water source for drinking water' according to the 2008 Demographic and Health Survey. Similarly, the UN Joint Monitoring Programme for Water Supply and Sanitation (JMP) estimates that overall access to an improved water source for drinking water increased from 93% to 99% between 1990 and 2011, with urban areas enjoying 100% access and rural areas 99% in 2011. According to the 2006 census, 85% of the population has access to drinking water *in their homes*. For urban areas this number increases to 92.9%, compared to only 81% in rural areas, and there are wide disparities between governorates.

Access to 'improved sanitation' is slightly lower: at 91.9% of the total population, according to the 2008 Demographic Health Survey (DHS). However, there are some disparities, with 97.7% access for urban households and 88.5% for rural households.<sup>77</sup> The JMP estimates that overall access to improved sanitation increased from 72% to 95% between 1990 and 2011, with 97% urban access and 93% rural access in 2011. Yet, according the 2006 census, 44% of the population was connected to the national sanitation network, while 44% had to manually install tanks for collecting waste. Such tanks are later emptied into the Nile or on the ground, causing environmental and health problems. CAPMAS statistics show that only 24.7% of the rural population was connected to the sewerage system in 2010/2011, compared to 88% in urban areas, with disparities between governorates again.

Regular access to clean, quality water also remains very problematic. About 95.5% of the population drank their water untreated. About 21.2% of water produced nationwide in 2009/2010 was non-refined. In addition, a great deal of the refined water produced by the different governorates remains contaminated with harmful micro-organisms and is not suitable for drinking. Lab tests showed the percentage of ammonia in the water to be 180 times more than the accepted rate in July 2012.<sup>78</sup> For example, the poor who cannot afford bottled water are most severely affected, as evidenced by the repeated cases of water poisoning that affect villages, especially by the contaminated Rosetta Branch. The recent poisoning of 5,000 Sansaft villagers, in the Munufeya governorate, is one of many examples.<sup>79</sup> A 2008 WHO report indicates that

<sup>&</sup>lt;sup>75</sup> K. Al Sheikh, 'Could Egypt run out of water by 2025?', *Global Post* (April 9, 2012).

<sup>&</sup>lt;sup>76</sup> A.E. Abdin and I. Gaafar, 'Rational water use in Egypt', in El Moujabber et al (eds.), *Technological perspectives* for rational use of water resources in the Mediterranean region (2009), pp. 11-27.

<sup>&</sup>lt;sup>77</sup> The household is considered to have improved sanitation facilities if the household has sole use of a modern or traditional flush toilet that empties into a public sewer, Bayara (vault) or septic system.

<sup>&</sup>lt;sup>78</sup> M. Shehab, 'Opinions and Official Statements around the deaths of fish resources in the Rosetta Branch'. Available online at: <u>http://kenanaonline.com/users/hatmheet/posts/434725</u> [Arabic only].

<sup>&</sup>lt;sup>79</sup> See A. Al-Masry, 'Number of Poisoned Climbs to 5,000, Say Monufiya Residents', *Egypt Independent* (August 22, 2012); A. Al-Masry, 'Troubled Waters: Mounufiya's Contaminated Water and Low Supply', *Egypt Independent* (August 30, 2012).

5.1% of all deaths and 6.5% of all disabilities (disease and injury) in a year in Egypt are attributable to unsafe drinking water, inadequate sanitation, insufficient hygiene and an inadequate management of water resources. Diarrhea and Schistosomiasis, the diseases that most commonly accompany water, sanitation and hygiene problems, are both are very common in Egypt.<sup>80</sup> Humans are not the only victims of water poisoning; thousands of tons of fish die annually as a result of to the contaminated water of the Rosetta Branch of the Nile, according to official statistics.<sup>81</sup> A bulk of Egypt's disease burden could therefore be alleviated by improving drinking water, sanitation, hygiene and water management.

The state has largely relied on the private sector and international projects to manage wastewater treatment. While water production remains state-owned, several projects have been planned since the mid 2000s to alleviate the burden of water production from the state in a time when Egypt's political situation is not making it an attractive place for investors. The water law bill, proposed before the revolution, aims to encourage the private sector to invest in the water sector.<sup>82</sup> Although it has not been enacted yet, this draft law is not the first of its kind; a presidential decree issued in 2004 (No. 135) gave the right to procuring bodies to involve private companies in controlling and selling water.

In that same year, the price of a cubic meter of water increased from EGP 0.12 to EGP 0.23 as ordered in the presidential decree. Unsurprisingly, there are some disparities in this price, as a cubic meter of water can be sold at EGP 1.10 in rural areas.<sup>83</sup> Additionally, the water bill collection system was amended from 3 months, then to 2 months, then to 1 month, leading to additional financial burdens on citizens, who have to pay fees and taxes monthly, reaching 50% of the value of the bill in some cases.<sup>84</sup>

The state budget for water and sanitation services remains very low despite tax increases. In the Service Sector Budget of 2011/2012 and 2012/2013 respectively, the allocation of state funds for water services makes up only about 1.9% (in both years) of funds allocated to general services.<sup>85</sup>

28. The State party should provide information on whether it has initiated a comprehensive survey on access to safe drinking water and sanitation. This should include the residents of poor neighborhoods and slums, refugees and those looking for shelter, and rural area. Also, please provide information on progress in the plan for comprehensive coverage of all cities and villages, as described by the State party in its report (Item 218).

29. The State party should take steps to implement the recommendations made by the independent expert on the issue of human rights obligations related to access to safe drinking water and sanitation, following her mission to Egypt in 2009.

<sup>81</sup> M. Shehab, op cit n78.

<sup>&</sup>lt;sup>80</sup> WHO, Safer Water, Better Health: Costs, Benefits and Sustainability, of Interventions to Protect and Promote Health (2009).

<sup>&</sup>lt;sup>82</sup> USAID, 'A Legal Paper Which Serves as the Basis for the New Egyptian Water Law', *Water Policy and Regulatory Reform Project* (January 2012), p.29.

<sup>&</sup>lt;sup>83</sup> A. Khedr, 'Drinking water in Egypt: a necessary right for man's existence', *Hoqook* (August 2, 2010) [Arabic].

<sup>&</sup>lt;sup>84</sup> M.M Ismail, M.S. El Hayesha, 'The impact of privatization on the Arab World', *Alukah Network* (2011) [Arabic].

<sup>&</sup>lt;sup>85</sup> Own calculations based on The Ministry of Finance, *General State Budget 2012-2013— The Services Sector: Expenditures.* 

31

30. In particular, the State party should adopt legislation that recognizes water and sanitation as human rights; clearly delineates responsibilities of different agencies for testing water quality, controlling pollution and ensuring the safety of sanitation facilities; and includes specific measures for ensuring affordable access to water and sanitation for the poor.

#### Housing

The acute lack of affordable housing in Egypt stems from inadequate investment in the sector. With the adoption of economic liberalization policies and reduction of social spending in the state budget as a consequence, the State party's investment in the housing sector dropped significantly over the past two decades. To illustrate the retreating role of the public sector, CAPMAS data shows that in 1994, 69% of the value of investment on housing was from the public sector. This number dropped to around 10-15% between 2002 and 2007, though it is now starting to increase again and has been around 30% since 2008; statistics on the numbers of housing units built mirrors this trend.

At the same time, the State party has failed to adequately regulate the private sector, making the formal housing market inaccessible for many Egyptians. An important reason for the housing crisis in Egypt is the absence of legislation protecting the right to adequate housing, or even guaranteeing access to housing. A clear definition of adequate housing is also lacking. For example, the regulations related to the Unified Construction Law No.199 of 2008, defined a residential unit as "the place that provides people with accommodation and the basic needs of daily life, which includes a bathroom, kitchen, and at least one residential room". In this context, several laws have been issued, including Law No.4 of 1996 (the landlord-tenant law) and Law No.6 of 1997 (for the rental of non-residential units and commercial shops). These laws granted landlords free reign in setting the lease period and rent, allowing for an annual increase ranging from 2% for commercial shops to 10% for residential units. This undermines security of tenure and affects peoples' ability to meet their housing costs. The State party has also granted excessive privileges to real estate developers, given them tremendous influence over the size and supply of housing units.

So it should not come as a surprise that the reality of housing in Egypt is full of contradictions. Although the overall inventory of residential units (housing supply) exceeds the total need (housing demand), these units do not cater to the needs of low-income households. Instead, there is an excess of upper-middle income and luxury units, which has led to the phenomenon of empty and closed residential units. The total number of empty and closed units is estimated to be 5.6 million. Although the production of housing units saw an increase; from 135,000 units in 1994/95 to over 158,000 units in 2008/09; the demand for units is estimated to be around 440-500,000 per year,<sup>86</sup> which translates into a deficit of around 300,000 units. This of course does not take into account the aggregate deficit that accumulated over the years and is estimated to be between 3.5 and 4 million housing units.

Thus, the reality of housing in Egypt is lamentable. Informal housing around the country has grown exponentially. There are around 1 million people living in graves for example, a unique

<sup>&</sup>lt;sup>86</sup> Housing and Development Bank and Egyptian American Corporation for Financial Studies, 'Report on Housing Sector and Construction Investment' (2007).

form of informal housing in Egypt.. In 2006, CAPMAS statistics showed that 77,900 families lived in huts and 65,800 in tents. Tens of thousands more live on rooftops, in stairwells, basements, and other places, where statistics are not available, especially in the capital and major cities. The hazards of such precarious living arrangements have been shockingly illustrated by the successive building collapses witnessed in several areas, especially in coastal governorates.

Nevertheless, the number of informal areas in Egypt remains disputed. Different ministries have different estimates; while CAPMAS counts 1,221 areas, the Ministerial Information and Decision Support Center counts 1,034, and the National Planning Agency 1,109.<sup>87</sup> However, civil society organizations and other independent experts consider that the number of informal settlements may be different than the government's figures, seeing that the state's definition of an informal settlement is not clear.<sup>88</sup>. In terms of population, in 2010 CAPMAS estimated that informal settlements house approximately 12-15 million citizens. However, the Egyptian Center for Housing Rights, estimates that the number of people living in informal housing is even higher, at 20 million; almost a quarter of the country. In addition to their non-compliance with building and planning regulations, these areas suffer from a lack of facilities, amenities and proper infrastructure. Data on the conditions of informal areas, as well as of housing in general, is not adequately provided by the state; the collection of accurate data is hindered by the state's refusal to clearly define adequate housing in legislation and to set standards for it, as well as its failure to define informal settlements and to develop effective state policy towards them.

Although the State has created some plans to house those with limited income, the National Housing Projects outlined in the State party's report failed, in many cases due to the corruption that characterized the inclusion of the private sector in their execution. While the state paid subsidies allotted to the housing units, private sector companies sold on the units at very high prices, depriving the actual beneficiaries—low income citizens—of affordable housing units.<sup>89</sup> Under the auspices of an urban planning project named Cairo 2050 (recently renamed Egypt 2052), which was developed without consulting residents in affected areas, the government is initiating a 40-year plan to improve living conditions in Cairo. The results of the project have not been successful so far. Cairo 2050 essentially provides that all slums in Greater Cairo are to be demolished and residents relocated to new cities on the outskirts of the capital.

In reality, forced evictions are being carried out in the name of development projects and to make Cairo a more attractive international city, especially under Cairo 2050. Although official state policy is to give priority to areas where people's lives are under threat, in practice, areas where the poor and marginalized are living, but that are attractive for investment, are more likely to be prioritized, especially given that selling land to investors is one of the sources of income for carrying out Cairo 2050. For example, such projects are not suggested for areas like Mohandiseen, Zamalek, or Maadi, but are in places like Boulaq Abu el-Ela, Maspero Triangle, North Giza development in Imbaba, the development of the Nile Islands, and so on, in clear discrimination against the poor. The first stage of Cairo 2050, to be met by 2015, is to build

http://digital.ahram.org.eg/articles.aspx?Serial=211479&eid=2819 [Arabic only].

 <sup>&</sup>lt;sup>87</sup> M. Ibrahim, 'What is the number of Slum Areas in Egypt? CAPMAS answered 1221, Ministerial Information and Decision Support Center answered 1034, and the National Planning Agency answered 1109', *Youm El-Sabei (April 18, 2009)* Available at: http://www.youm7.com/News.asp?NewsID=90338 [Arabic only]
<sup>88</sup> M. Iman, 'Slum Areas', *Ahram Online* (August 2, 2010). Available at:

<sup>&</sup>lt;sup>89</sup> S. El-Wardani, 'Egypt Real Estate: No Room for The Poor', Ahram Online (January 9, 2011).

35,700 housing units to accommodate families living in around 33 slum areas across Greater Cairo. The project is completely funded from the actual value of the land these slum areas are built on, estimated to be 3.7bn EGP—around 2bn more than the cost of the new housing units.<sup>90</sup>

Further, the relocation of people evicted from their homes is being implemented in ways that fail to respect their rights; evictions are carried out in an arbitrary manner and when new residential apartment buildings are actually built, they are in unsuitable locations with extremely underdeveloped facilities. <sup>91</sup> For example, in December 2010 residents in Maspero were physically removed from their homes, before they were consulted or offered an alternative area to live. <sup>92</sup> In September 2008, 104 families were forcefully evicted from "Establ Antar" and moved to the 6th of October City, despite not having agreed to this before the eviction occurred. In this case, the alternative accommodation provided did not have proper water and electricity services and the location's distance deprived many families of proper employment opportunities. Because of these conditions, many families wanted to return, but the police coerced them to stay and sign papers expressing their satisfaction with the move, offering EGP 200 to each individual as an award for their signatures.<sup>93</sup> In Doweika, some residents were provided with alternatives in Haram City, but the area of the units did not exceed 22 square meters.

The risk of forced evictions is exacerbated by the lack of adequate legal safeguards. In particular, Law No. 10 of 1990 permits the "temporary" seizure of land for "public interest," through a decree by the Governor of the City. Article 2 of the law lists eight examples of when the seizure of land would be in the public interest, but provides the Council of Ministers with wide discretion to add any others. The law also fails to provide for consultation with affected communities. The implications of this law can be seen in the case of Ramlat Boulaq, an area on the East bank of the Nile. There, a decree was issued by Cairo's Governor in June of 2012, stating that the state will seize the land for a temporary period of three years for the sole purpose of development. The exact reason for the seizure and the timeline of eviction were unclear and there was no mention of alternative housing for the residents. Although Cairo 2050 provides that evictions can only be carried out after obtaining residents' full consensus, a field report by ECESR found that there had been no consultation with the residents of Ramlat Boulaq and some were unaware of the fact that the decree had been made.<sup>94</sup> Recently, rights organizations won a court case repealing the order of evacuation of Ramlet Boulaq.<sup>95</sup>

Since the 2011 revolution, successive administrations have failed to take meaningful steps to tackle Egypt's housing crisis. Both article 67 of the 2012 constitution, and article 59 of the 2013 draft constitution, enshrine the right to adequate housing for all citizens. However, the definition of "adequate" was not provided in the text of either. While this may be characteristic of many

<sup>&</sup>lt;sup>90</sup> Amnesty International, We are not dirt: forced evictions in Egypt's Informal Settlements (August 2011), p.85.

<sup>&</sup>lt;sup>91</sup> There were many cases of slum area residents moving to new cities with little or no facilities and difficult employment opportunities, to be then forced to return back to Cairo to find new places to settle. See e.g. above at p.i.

<sup>&</sup>lt;sup>92</sup> Masress, '37 families impacted by the eviction of 7 buildings in Maspero', (December 14, 2013). Available at: <u>http://www.masress.com/shorouk/354916</u> [Arabic only].

<sup>&</sup>lt;sup>93</sup> Amnesty International, 'Egypt: Stop forced evictions and consult slum-dwellers to resolve housing crisis', *Press Statement* (August 23, 2011).

<sup>&</sup>lt;sup>94</sup> ECESR, 'Ramlet Boulaq: Who's the Aggressor and who's the victim?' (August 12, 2012), pg. 10. Available at: <u>http://ecesr.com/?p=5321</u> [Arabic only].

<sup>&</sup>lt;sup>95</sup> ECESR, 'Administrative Judiciary gives victory to the resident of Ramlet Boulaq and nullifies the governor's evacuation order', *Press Statement* (August 28, 2013). Available at <u>http://ecesr.com/report/723061</u> [Arabic only].

constitutions; the very weak set of domestic laws cannot compensate for the vagueness of the two articles. The budget proposal for 2013/2014 allocates housing around 3.18% of the state budget, not much different than the 3% allocated in 2009/10. Further, the budget allocated to the development of informal settlements and slum areas, which is a fragment of the overall budget for housing, was announced to be around EGP 400 million. While this is an increase from 300 million in 2011,<sup>96</sup> it remains unclear exactly how this will be spent on developing slum areas.

31. The State party should provide a more comprehensive definition of "informal settlements" and "adequate housing" in "security of tenure", clarifying how the concept of "adequate" housing as mentioned in Covenant (Article 68) and in regular laws is implemented. It should also ensure the collection of complete and updated statistical data (disaggregated according to district and urban/rural areas) about the enjoyment of the right to adequate housing, which should record the number of forced evictions annually.

32. The State party should provide information on the progress achieved in implementing the National Housing Project, which was due to be completed on 30 September 2011 and on what other policies or projects targeting the right to adequate housing have been adopted recently.

33. The State party must enact and enforce a clear prohibition on forced eviction. It should also review the Egypt 2052 Plan to ensure it is consistent with that prohibition and with international human rights standards, taking into consideration General Comment No.7 of the Committee. With the participation of civil society, affected communities and other stakeholders guidelines on evictions should also be enacted and implemented.

#### Article 12 Health

Egypt has a complex, fragmented and increasingly privatized health care system. With low health insurance coverage, Egyptian households end up spending a lot on out-of-pocket costs, depriving services to those who cannot afford them. The neglect of the public healthcare sector is clearly visible in the low levels of public spending on health.

Egypt, like many developing countries faces a persistent though diminishing communicable disease burden and a large and rapidly growing non-communicable disease burden, including mental health-related diseases.<sup>97</sup> Although Egypt's health indicators are on par with regional averages overall, there has been stagnation and backsliding in some. According to CAMPAS estimates, the country's maternal mortality ratio increased from 39 deaths per 100,000 live births in 2009 to 46 in 2011, for example. In addition, large discrepancies between regions remain. The 2008 DHS showed that women in the Bani Swaif governorate were almost three times more likely to die during child birth compared to women in Kafr El Sheikh.

<sup>&</sup>lt;sup>96</sup> A. Abdel-Ghafar, 'Minister of Domestic Development: the slum area budget has increased to 400 million EGP', *Source* (DATE?). Available at: http://www.youm7.com/News.asp?NewsID=966369 [*Arabic only*] <sup>97</sup> WHO, 'Country Cooperation Strategy for WHO and Egypt: 2010 – 2014' (2010), p.14.

Egypt has a complex and fragmented healthcare system—involving many public, parastatal (quasi-governmental) and private providers and financers. As a result not all people receive care when they need it and coverage of some services is dropping. For example, World Bank data shows that the number of children receiving vaccination dropped from 96.7% in 2010 to 94.2% in 2011 and that Egypt has the lowest coverage of prenatal care among low-middle income countries in the region. Again, there are disparities; only 72% of rural women gave birth with the assistance of qualified health professionals compared to 90% of urban women, according to the 2008 DHS.

The distribution of healthcare services in Egypt is greatly imbalanced—between urban and rural areas, in particular, as well as between the north and south of the country—raising questions about the accessibility of services. Although more than half the population lives in rural areas, Ministry of Health data indicates that in 2008 only 3.6% of all health units were located there (3,164 compared to an estimated 87,000 in the country). There is also a large disparity in the distribution of human resources; only 19.6% of public sector physicians cover rural areas.

The health sector has also been subject to growing privatization. Public hospitals are struggling in the face of huge demand and the government's failure to keep up with escalating costs, financial shortages, inefficient use of resources, and ineffective management. The poor quality of public hospitals, in turn, has led to a lack of public confidence with people turning to the private sector.<sup>98</sup> CAMPAS statistics indicate that in 2001 private health units constituted about 47% of units nationwide; this grew to more than 66% in 2011. This has burdened Egyptians with more expenses and has also deprived services to those who cannot afford them. Spending on healthcare services by families, especially on medicines, reached 72% in 2008/2009, according to the National Health Accounts, rising from 62% in 2001/2002; the regional average is 45.4%. Of that 72%, 97.7% goes to direct out-of-pocket payments (the remaining 0.3% goes to private insurance premiums).

Healthcare costs have been further affected by rising inflation in the past two years. The health care price index increased 14.8% between July 2011 and July 2013. Price increases are expected to be even higher in rural areas, especially considering the limited accessibility of healthcare services and given the higher poverty rates among rural populations. This increase in the cost of healthcare services poses a threat to the right to health of many vulnerable families, who can no longer afford healthcare services. Similarly the cost of health care increased significantly as a percentage of family expenses, from 6.5% in 2008/2009 to 9.6% in 2010/2011, according to CAMPAS statistics.

According to the NHA, just over half of the population had health insurance in 2008, mostly through the government's Health Insurance Organization (HIO). Although this represents a gradual increase over the last decade, it is still well below regional norms; Tunisia (99%), Iran (98%), and Jordan (83%) all have significantly higher rates of health insurance coverage. Those without health insurance are largely workers in the informal sector, self-employed, farmers, rural residents, and women.

The latest proposal for a universal health insurance scheme, presented by the Ministry of Health to the Shura Council in the first quarter of 2013, continues to exclude workers in the informal

<sup>&</sup>lt;sup>98</sup> WHO, 'Country Cooperation Strategy', above n 97, at p.20.

sector.<sup>99</sup> The draft law has been criticized for many technical reasons regarding implementation and for its reliance on the collection of additional premiums from the population.<sup>100</sup> A committee for the new health insurance law has been recently created, with debatable results. There are no clear signs that this draft law will be enacted any time soon or that, if passed, it would be a genuine step forward towards achieving universal health coverage.

Nevertheless, even those who are insured rarely resort to the public sector when in need of healthcare services, particularly for outpatient services due to the poor quality of public hospitals in the country. Further, there are no complaints mechanisms for cases of clinical malpractice or infringements of patients' rights, with the exception of the general criminal proceedings and an informal medical ethics pact created by the Egyptian Medical Syndicate. Patients who attempt to litigate violations of their rights rarely achieve satisfactory outcomes.

The neglect of the public healthcare sector is clearly visible in the decrease of public spending on health, which dropped from 46% of total health expenditure in 1995, 42.2% in 2008 to 40.5% in 2011 according to CAPMAS. Egypt continues to spend less on healthcare compared to other countries of the same socioeconomic level and remains very far from the commitment made by African countries in the 2000 Abuja Declaration to allocate 15% of its annual budget, at least, to improve health. According to Egypt's National Health Accounts (NHA), health spending made up just 4.3% of the total government budget in 2009, half of the regional average of 8.6%. In remains around the same level today: 4.7% in 2012/2013 and 4.7% for 2013/2014.

34. The State party should ensure affordable access to quality healthcare for everyone, regardless of gender, geography or income level. It must take urgent action to address the spiraling cost of healthcare in the short term, while working to reduce out-of-pocket health expenditure in the longer term. With the participation of civil society, community groups and other stakeholders, the State party should step up its efforts to provide universal health insurance. A basic package of services should be covered that includes all primary, secondary and tertiary care and that includes mental as well as physical healthcare services.

35. To advance its planned reforms in the health sector, the State party should (a) increase its allocation of resources to the health sector (b) put in place effective mechanisms to enhance inter-sectoral coordination; and (c) adopt concrete measures to address the significant geographic disparities in health-care provision, after conducting a proper stakeholder analysis.

36. The State party should also prioritize the development of legislation that ensures patients can access legal pathways for remedies in cases of clinical malpractice and violations of patients' rights.

 <sup>&</sup>lt;sup>99</sup> I. Abu Khatwa, 'New Health Insurance Law violates right to health and opens doors to corruption' (June 6, 2013).
<sup>100</sup> K. Ali-Hassan and I. al-Tayyeb, 'Shura Health: The Government did not Provide the Framework', *Al-Masri Al-Youm* (February 1, 2013). Available at: <u>http://www.almasryalyoum.com/node/1438571</u> [Arabic only].

#### Article 13 Education

Despite overall improvements in educational indicators, disparities in educational standards remain. The trend of decreasing public investment in education disadvantages students who cannot afford entry into the private school system, and exacerbates the problem of unequal access to education.

Egypt's literacy rate has only increased marginally over the past decade. World Bank data shows that the total youth literacy rate (15-24) rose from 85% in 2005 to 87% in 2010, while literacy amongst adults rose from 71.4% in 2005 to 72% in 2010. Nevertheless, CAMPAS data shows that illiteracy is markedly higher among the rural populations; it was 30.7% in 2012, compared to 17.7% among urban populations.

Overall, trends in school attendance have been improving. The country's net primary school enrollment has reached an impressive 95.4% according to UNICEF data. Unsurprisingly, however, there are disparities depending on gender, residence and wealth. For instance, the 2009 SYPE showed that more than five times as many females (22.1%) than males (4%) have never attended school in rural Upper Egypt. The annual non-attendance rate has also increased, symptomatic of a high drop-out rate in secondary years. Between 2005 and 2010, the number of students abandoning studies almost doubled, from 267,087 in 2005 to 644,717 in 2010 according to UNICEF data. In regards to children with disabilities, of the two million school-age children with disabilities, only 37,000 are enrolled in school (in around 882 schools). Furthermore, these schools are only able to accept children with mental, hearing, and sight disabilities while there are no schools available for children with disabilities of any other sort. <sup>101</sup>

Academic achievement is another indicator that is impacted by socio-economic status. The 2009 SYPE found that children from poor households constituted only 3-5% of achievers in primary education and in the preparatory stage, and only 0.5% of achievers in the general secondary education stage. This may reflect their inability to afford private schooling and private tutoring. The quality of public education remains a major challenge that hinders the capacity of children to develop to their full potential. UNICEF estimates that approximately one in five school buildings are not fit for use and lack functional water and sanitation facilities. Less than 10% of schools meet the national standards for quality education, according to UNICEF. According to statistics from the Ministry of Education, there were 18,298,786 students across Egypt in all of the different age groups in 2010/11 and around 453,719 classrooms, meaning that there around 40 students on average for each classroom - a number that can act as an obstacle to quality education - with expected imbalance between different statuses.

Students suffer from rigid conventional teaching techniques in which participation is not encouraged and corporal punishment is common. The Egyptian Center for Human Rights documented 7 cases of death, 18 cases of extreme physical assault, 48 cases of sexual harassment, 3 cases of sexual assault, 25 cases of other forms of violence, and 2 cases of religious discrimination in schools in 2012.<sup>102</sup> The state has recognized the high rate of violence in classrooms, but the Ministry of Education has not presented a plan to prevent it. In one case,

<sup>&</sup>lt;sup>101</sup> Ministry of Education, 'Strategic Plan for the Development of pre-university education, 2007-2008/2011-2012'. Available at: <u>http://moe.gov.eg/Citizens/StudentsAbroad/Documents/arabicpoints.pdf</u> [Arabic only]. <sup>102</sup>Al-Wafd, 'Human Rights: Violence in Schools Jeopardizes Social Peace'.

former Minister of Education, Ahmed Zaki Badr, claimed that passing a legislation that would ban corporal punishment would leave teachers "vulnerable to attack" from their students.<sup>103</sup>

The state has been slowly decreasing its role in the education sector in Egypt and is passing it on to the private and informal sectors. The government's retreat from its role and the increased dependence on private and informal education can be seen from an average family's expenditure. According to the 2010/2011 HIECS, tuition and school fees made up around 38% of a family's total expenditure on education, while private lessons made up 42%. Furthermore, Egyptian schools are constrained when attempting to improve quality of education due to their lack of access to adequate funding. Law No. 27 of 2012 allows the Ministry of Finance to control the expenses of public schools to a large extent and stifles the schools' freedom for spending on simple services to improve the quality of education annually. The percentage of the budget allocated to education decreased from 16-17% of total state expenditure in the early 2000s to 10-12% in the past five years.<sup>105</sup> This number has not been impacted by the revolution; it is expected to decrease to around 11.7% in the 2013-14 budget proposal, compared to 12.8% in 2009-2010.

In attempt to increase the salaries for teachers, and to call for a larger budget for the education sector, several trade unions were formed, following a Ministerial Decree in 2011 giving teachers in Egypt the right to organize. During this period, teachers' salaries were increased, but remained below what the unions and syndicates had requested.<sup>106</sup> However, loopholes in the decree were found to curtail the activity of the syndicates and many syndicates were attacked by the ministry as being illegitimate.

37. The State party should: (a) ensure equitable attention is given across different socio-economic classes, (b) increase its monitoring over the condition of students and teachers through creating adequate legislation that would protect both. The State party should increase its investment in education, so as to guarantee high quality public education, and give the children the chance to enjoy their right to free primary education.

<sup>105</sup> Ministry of Finance, 'Budget Proposal and Enacted Budget Data'. Available at: <u>http://www.mof.gov.eg/MOFGallerySource/Arabic</u> [Arabic only].

<sup>106</sup>Ahewar, Independent Union of Teachers: A Declaration. Available at: http://www.ahewar.org/debat/show.art.asp?aid=261760 [Arabic only].

<sup>&</sup>lt;sup>103</sup> A. Selim, 'Across Egypt, teacher-student violence', *Egypt Independent* (March 3, 2010).

<sup>&</sup>lt;sup>104</sup> Al-Masreyoon, 'Ministry of Finance:20% of Special Funds and Special Losses monthly to the General Treasury' Available at: <u>http://www.almesryoon.com/permalink/16416.html</u> [Arabic only].

#### **Data Sources**

CAPMAS (2013), Annual Statistical Yearbook CAPMAS (2013), Egypt in Figures CAPMAS (2013), Monthly Consumer Price Index series CAPMAS (2013), Monthly Statistical Bulletin series CAPMAS (2013), Press Release on the International Day for Youth (August 12, 2013) CAPMAS (2013), The Population Bulletin, Issue 86 (July 21, 2013) CAPMAS (2012), Annual Statistical Book CAPMAS (2012), Egypt in Figures CAPMAS (2011), Household Income, Expenditure and Consumption Survey CAPMAS (2011), Women and Men in Egypt CAPMAS (2011), Annual Labor Force Survey CAPMAS (2010), National Child Labor Survey CAPMAS (2008), Annual Statistical Book CAPMAS (2006), Labor Market Panel Survey CAPMAS (2006), General Census for Population, Housing, and Establishments Interactive Database CIPE (2009), Citizens' Perceptions of Transparency and Corruption, National Public Opinion Survey ECESR (2013), Protest Mapping Database Global Financial Integrity (2012), 'Country Rankings: largest average illicit financial flow estimates 2001-2010' ILO (2012), Statistical update on employment in the informal economy ILO (2011), Statistical Update on Arab States and Territories and North African Countries Ministry of Education (2013), Statistics on Education Ministry of Finance (2012), The State's General Budget for Financial Year 2012/2013 Ministry of Health and Population (2009), Demographic and Health Survey 2008 Ministry of Health and Population (2008), Annual Statistical Book Open Budget Partnership (2013), Open Budget Survey 2012 **Population Council (2009),** Survey of Young People in Egypt Transparency International (2013), Corruption Perception Index 2012 UNDP (2011), Arab Development Challenges Report: Towards the Developmental State in the Arab Region World Bank, World Bank Database World Bank, Worldwide Governance Indicators WFP and IDSC, Egyptian Food Observatory WHO/UNICEF (2013), Egypt: estimates on the use of water sources and sanitation facilities (1980 - 2011) WFP (2011), The Status of Food Security and Vulnerability in Egypt 2009 USAID (2011), Egypt National Health Accounts 2008/9

#### Acknowledgements

This submission was produced through a collaborative process that involved a large number of organizations, networks and unions. The report was compiled by the Egyptian Center for Economic and Social Rights in Cairo and the Center for Economic and Social Rights in New York. The authors would like to thank the organizations that played a key role in coordinating input and drafting different sections of the submission, in particular, the Housing and Land Rights Network—Habitat International Coalition, which coordinated a group working drafting Article 11; the Egyptian Initiative for Personal Rights, which coordinated Article 12; the Association for Education Support and Development and the Egyptian Coalition for Education for All, which coordinated Article 13; and Nazra for Feminist Studies and New Woman Foundation, which coordinated input on women's rights and female workers. The authors are also grateful for the advice given by the Arab NGO Network for Development (ANND) on several sections of the submission.



© 2012 Center for Economic and Social Rights and Egyptian Center for Economic and Social Rights. This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivs 3.0 Unported License.