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# SUBMISSION TO THE OHCHR CALL FOR INPUTS ON THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS


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# Submission to the OHCHR Call for Inputs on the Realization of Economic, Social and Cultural Rights

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## 1. Introduction

The Center for Economic and Social Rights (CESR) welcomes the opportunity to contribute to OHCHR's call for inputs on the realization of economic, social and cultural rights (ESCR), with a particular focus on the mobilization of public resources to finance sustainable development.

The realization of ESCR depends fundamentally on whether States have sufficient resources, how those resources are mobilized, and whether they are allocated and spent in ways that advance equality and human rights. Public-resource mobilization is therefore not merely a matter of economic policy. It is central to States' legal obligations under international human rights law.

Article 2(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR) requires States to take steps, individually and through international assistance and cooperation, to the maximum of their available resources, to progressively achieve the full realization of Covenant rights. This obligation requires attention not only to expenditure, but also to the policies that determine the resources available to governments in the first place.

CESR submits that the current financing crisis facing many countries is inseparable from the structures of the global economy. Tax abuse -both from corporate and wealthy individuals- deprives governments of vital revenues; unsustainable debt absorbs resources that should finance public services; and fiscal consolidation can further undermine health, education, social protection and care. These pressures are particularly damaging for women and girls and for groups facing structural discrimination.

Recent developments reinforce this interpretation. In February 2025, the UN Committee on Economic, Social and Cultural Rights (CESCR) issued a landmark statement recognizing taxation as essential to rights realization and highlighting States' responsibilities to address inequality through domestic and international tax policies. In 2025, the Human Rights Council also adopted a resolution explicitly linking progressive taxation, international cooperation and the realization of ESCR. (Center for Economic and Social Rights, 2025). Equally, the current draft of the UN Convention on International Tax Cooperation contains the alignment to international human rights law in its principles (FAQ on Human Rights and UNTC).

Most recently, the Inter-American Commission on Human Rights (IACHR), with the leadership of its Special Rapporteurship on Economic, Social, Cultural and Environmental Rights (REDESCA), adopted Resolution 2/26 on Fiscal Policies and Human Rights in the Americas. This marks an important evolution in the interpretation of States' obligations concerning taxation, public spending and debt.

Together, these developments establish an increasingly clear principle: **economic policy is subject to human rights law, and fiscal policy must be designed and assessed according to its implications for rights realization.**

In an era of intersecting economic, climate, debt and inequality crises, the realization of all human rights is contingent on the transformation of economic systems that shape people's lives. Recent developments (UNDESA, 2026) tend to suggest that credit and ODA are not achieving to fund SDGs, and domestic mobilisation -also compromised and showing high gaps between countries- is the main source of resources. Ultimately, the human rights agenda can only be meaningfully advanced through the pursuit of a human rights economy that puts people and planet at the centre, ensuring that resources are raised and allocated fairly, inequalities reduced, and economic decisions systematically directed towards fulfilling rights (CESR, et al, 2025).

# 2. Tax justice is essential to maximum available resources

Taxation serves five interconnected functions, all of which are crucial to human rights realization: **revenue, redistribution, repricing, representation and reparation**.

The Tax Justice Network estimates that countries lose US $492 billion each year through cross-border corporate tax abuse and the offshoring of private wealth. According to ECLAC estimates, tax evasion in Latin America reached 6.7 per cent of GDP in 2023, equivalent to 433 billion dollars. These are resources that could otherwise support gender-responsive and -transformative public services and social investment. It has been stressed that the top wealthiest individuals are particularly beneficiaries of this practices, and a modest tax aiming on those could raise between $754 billion and $1.3 trillion per year (0.67%-1.11% of world GDP), sums comparable to today's global public spending on health, education, or climate adaptation. The consequences are particularly severe for lower-income countries, where tax revenues are generally lower -about 10 percentage points lower than high income countries (UNDESA 2026)- and where relatively modest revenue losses can translate into major gaps in public provision.

Tax abuse also has an important international dimension. States whose financial, corporate and tax systems facilitate profit shifting, secrecy or aggressive tax avoidance can constrain other States' ability to raise fiscal resources and fulfil human rights. International cooperation on taxation is therefore not simply desirable development policy: it is part of the international cooperation required under human rights law, particularly their extraterritorial obligations.

The UN negotiations towards a Framework Convention on International Tax Cooperation provide a historic opportunity to embed these principles in global tax governance. The CESCR's 2025 statement explicitly welcomed the Convention process and stressed the importance of aligning international tax cooperation with human rights. Global tax rules must be reformed and where possible overhauled to ensure just and fair taxation of corporations and high net worth individuals, curbing tax abuse and IFFs. Global and domestic tax systems must be grounded in the ABCs of tax transparency and a path to unitary taxation with formulary apportionment. Fair allocation of taxing rights at points of natural resource extraction, mostly in the Global South is nonnegotiable.

## 3. Debt service is crowding out rights realization

Tax injustice is compounded by the global sovereign debt crisis.

Development Finance International's analysis estimates that G77 countries face approximately **US$8 trillion in debt service in 2026**, equivalent on average to 46% of government revenue and 35% of government expenditure. Debt service is estimated to be three times larger than education spending, five times larger than health spending and twelve times larger than social protection spending. (Development Finance 2026) Developing countries are also exposed to risks they do not manage because of debt burden -such as international interest rates-, which adds significant macroeconomic instability. Creditors avoid their co-responsability on this burden, trespassing the problem to debtor countries.

Traditional assessments of debt sustainability focus on whether governments can continue servicing debt according to macroeconomic indicators such as debt-to-GDP ratios, fiscal balances and growth projections. But a debt burden can be considered financially manageable while simultaneously undermining a State's capacity to fulfil human rights. This points out a direct conflict between rights and the creditor's interests. Some initiatives consider capping debt service to 10% of the government revenue (GRADE, 2026)

IACHR Resolution 2/26 represents a significant normative shift in this regard. It establishes that debt sustainability must be assessed **in a manner compatible with human rights and not exclusively through macroeconomic indicators**. It calls attention to whether debt repayment compromises the financing of health, education, social protection and other essential services, exacerbates inequality, imposes discriminatory burdens or compromises the rights of future generations.

This is particularly significant for Latin America and the Caribbean, where public debt remains persistently high. ECLAC data cited by CESR indicate that interest payments in 2023 were equivalent to 70% of public investment in education, 86% of investment in health and 57% of investment in social protection in the region. Despite its disproportionated impacts in LAC, this is a shared reality for developing countries where the debt burden has grown to the point that public resources are increasingly diverted from essential development needs to service debt. Latest UNCTAD report, A World of Debt, points out that interest payments in many countries are rising faster than spending on essential public services such as health or education, so that at least one in three developing countries—home to 3.4 billion people—are spending more on interest payments than on these areas, which are critical for human development. The World Bank has stressed that developing countries have been paying $741 billion more in principal and interest on their external debt than they received in new financing between 2022 and 2024, which is the largest gap in at least 50 years.

Multilateral lending is just fuelling a perverse mechanism of transfer to private creditors, at the expense of people's rights.

The same principles established by IACHR Resolution 2/26 should inform global debt governance. Debt restructuring should not merely restore creditors' confidence or reduce debt ratios. It must restore the fiscal space necessary for States to meet their human rights obligations. Some scholars and organizations, like CESR, are calling for a specific UN Debt Convention and debt restructuring aligned with human rights (CESR, 2025).

Evidence from Uganda illustrates how these macroeconomic dynamics translate into concrete rights impacts. According to recent analysis by the Initiative for Social and Economic Rights (ISER) and CESR, Uganda's public debt reached 52.4% of GDP in September 2025. Debt-servicing obligations increased from UGX 12.76 trillion (US $3.4 billion) in financial year 2020/21 to UGX 26.44 trillion (US $7.1 billion) in 2025/26. Debt servicing accounted for approximately 36.5% of the national budget, compared with 6.2% for health, 7.7% for education, 0.3% for gender and social protection, and 0.6% for climate. (Center for Economic and Social Rights)

Debt servicing was therefore almost 2.5 times greater than combined spending on these essential social and environmental sectors. This is precisely the type of situation in which a human-rights-based debt sustainability assessment is required. The relevant question is not simply whether Uganda can continue servicing its debt, but whether the resulting fiscal burden is compatible with its obligations to progressively realize rights.

# 4. Gender justice must be central to public-resource mobilization

Fiscal policy is never gender-neutral.

Tax systems can reproduce gender inequality through explicit provisions, but also through their interaction with labor markets, household structures and patterns of unpaid care. Regressive consumption taxes, for example, tend to disproportionately affect lower-income women, while tax expenditures benefiting capital income and wealth can reinforce existing gendered concentrations of resources.

On the expenditure side, austerity and underinvestment in public services (arising from both prioritization of debt payments and inadequate revenue mobilization) have particularly significant consequences for women and girls. When childcare, eldercare, healthcare, education, water and sanitation are inadequate or inaccessible, unpaid care work expands. Women frequently fill these gaps. At the same time, this not only places an excessive burden of work on women, but also leads to higher school drop-out rates, affecting their future employment prospects. Both austerity and unjust taxation reinforce structural discrimination on girls and women, especially when entangled with over-indebtedness situations.

The Inter-American Court of Human Rights' 2025 recognition of care as a human right implies that realizing the right to care requires universal, accessible and adequately funded care services, alongside decent working conditions and social protection for paid and unpaid caregivers (Center for Economic and Social Rights). This has direct implications for resource mobilization. Governments cannot meaningfully recognize care as a right while simultaneously allowing tax abuse, excessive debt service or austerity to hollow out the public systems on which care depends.

A human rights-based budgeting approach remains critical where mobilizing of maximum available resources to allow for progressive realization of rights is priority. This goes hand-in-hand with a gender-responsive budgeting, going beyond merely tagging expenditure. Gender-responsive budgeting should assess how tax, debt, expenditure and macroeconomic policies redistribute resources and unpaid work between women and men and across different groups of women.

# 5. Education and health

Despite the progress made, of the 139 SDG targets with trend data, only 36 per cent are on track or making moderate progress. Also, as UNSDG 2026 Report puts it, the annual SDG financing gap in developing countries hovers around $4 trillion, while global military spending climbs to record highs.

Of the 17 SDG, the relationship between public finance and ESCR is especially clear in education and health. Governments must consider how progressive taxation, international tax cooperation and debt reform can expand the resources available for education rather than treating education and health budgets as fixed envelopes to be managed more efficiently.

Where debt service or tax losses absorb resources that could finance teachers, nurses, medicines and schools, rights deficits should not be regarded as unavoidable consequences of economic circumstances. Governments and international actors must examine whether alternative fiscal policies could have generated and protected greater resources. There is certain consensus on the fact that investing in education and health increases not only individuals' earnings through life, but the general productivity of the economy, as well as increasing their capacity to generate and absorb new technologies. This, in turn, generates higher tax revenue in the future, easing the strain on public finances by freeing up fiscal space. Education and health are not only human rights and SDG, but also good investments; they generate future resources.

Protecting education and health therefore requires more than ring-fencing expenditure. It requires confronting the policies and global structures that determine the size of the fiscal envelope.

# 6. Fiscal consolidation must comply with human rights

Fiscal consolidation can be legitimate where necessary to restore sustainable public finances, but it cannot be pursued without regard to human rights.

Cuts to public-sector employment, reductions in social spending, regressive tax increases and privatization of essential services can undermine rights and shift costs from governments to households. These effects can be particularly severe for women, low-income households and other groups experiencing structural discrimination. As argentinean case illustrates, this kind of policies have direct effect on rising the prevalence of preventable diseases, as well as a general deterioration in mental health indicators (including a sharp rise in the suicide rate).

States should demonstrate that austerity measures are necessary, proportionate, temporary where appropriate, non-discriminatory and compatible with minimum essential levels of rights protection. They should also demonstrate that less harmful alternatives—including progressive revenue mobilization and debt restructuring—have been considered.

International financial institutions share responsibility. Their lending, policy advice and conditionalities can substantially shape fiscal choices in borrowing countries and should therefore be consistent with human rights obligations (CESR, 2026).

# 7. A broader conception of sustainable development

The recent CESCR General Comment No. 27 on the environmental dimension of sustainable development further reinforces the need for this integrated approach. The Committee recognizes that a clean, healthy and sustainable environment is an essential precondition for ESCR and links environmental degradation to States' obligation to mobilize maximum available resources. It specifically highlights progressive taxation, combating tax evasion and avoidance, and fiscal policies that support a just transition.

Sustainable development therefore cannot be reduced to GDP growth or fiscal indicators. It requires economic policies that protect rights today while preserving the conditions necessary for future generations to enjoy them.

This also strengthens the case for climate finance to be understood as a matter of justice and legal obligation rather than charity. All too often, countries facing climate impacts are simultaneously confronting debt distress and constrained fiscal space. Not only do crises come interweened, but most developing countries are not the main responsibles for pollution that affects them. Despite that, to address climate crisis, developing countries depend on more debt, which in turn reduces fiscal space in the near future. Climate-related losses and adaptation needs can further increase borrowing, creating a vicious cycle in which climate vulnerability generates debt, and debt undermines investment in resilience.

# 8. Recommendations

The recommendations below should be grounded in an overarching commitment to a **human rights economy**, in which tax, debt and fiscal policies are designed and assessed according to their contribution to human rights, equality and sustainable development. In order to advance these principles, the OHCHR and the Human Rights Council should:

1. **Affirm that fiscal policy and public-resource mobilization are fundamental to the realization of human rights**, and that taxation, expenditure and debt choices are key to States' obligation to mobilize maximum available resources for economic, social and cultural rights.

2. **Call for a just and progressive UN Framework Convention on International Tax Cooperation**, affirming that international tax rules must support States' capacity to mobilize resources for rights and address inequalities in the allocation of taxing rights.

3. **Affirm States' extraterritorial human rights obligations in international economic decision-making**, including in the UN tax convention process and through institutions and forums such as the G20, G7, IMF and World Bank.

4. **Develop authoritative guidance on the 'maximum available resources' principle**, clarifying its implications for taxation, expenditure, borrowing and debt servicing, including the need for progressive taxation, of inter alia wealth, capital gains, corporate profits and high incomes.

5. **Recognize international tax cooperation as a human rights issue**, affirming that tax abuse, harmful tax competition and inequitable international tax rules deprive States of resources necessary to fulfil human rights.

6. **Recognize sovereign debt as a human rights issue**, reaffirming that unsustainable debt and excessive debt servicing undermine States' capacity to fulfil rights, and that debt sustainability, restructuring, relief and assessment must incorporate human rights considerations.

7. **Promote human rights, equality and gender impact assessments of fiscal policies**, including tax reforms, debt agreements, austerity and public expenditure decisions.

8. **Affirm the centrality of gender-responsive public services and care** in the design and implementation of human rights-compliant fiscal policy.

9. **Strengthen participation, transparency and accountability in tax, budget and debt governance**, ensuring meaningful participation by civil society and affected communities in national and international economic decision-making.

10. **Holding International Financial Institutions accountable** for enforcing policy decisions through conditionalities that disincentivize States from fulfilling their rights obligations as they pursue priorities like macroeconomic stability.

# 9. Conclusion

The current financing crisis is not simply a problem of insufficient resources. It is also a problem of how resources are distributed, how they are mobilized and who bears the costs of economic policy.

Tax abuse deprives States of revenue. Excessive debt service diverts resources away from essential public services. Fiscal consolidation can transfer costs onto households, disproportionately affecting women and those already experiencing inequality. These dynamics directly affect the realization of economic, social and cultural rights.

Recent developments—including the CESCR's statement on tax and human rights, General Comment No. 27, the Human Rights Council's resolution on rights-enabling economic policies, and IACHR Resolution 2/26—demonstrate an emerging international consensus that economic and fiscal policy is not outside the scope of human rights law. (Center for Economic and Social Rights)

The task now is to translate this normative progress into practice. Public finance must be governed to realize rights, reduce inequality and sustain the social and ecological systems on which human dignity depends. This requires moving from a paradigm of managing scarcity to one of mobilizing maximum available resources through fiscal, debt and international economic policies grounded in equality, participation, accountability and justice.

Tax justice, debt justice and gender justice are therefore not separate agendas. They are essential components of a human-rights-based approach to sustainable development.

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