HUMAN RIGHTS COUNCIL

20TH SESSION OF THE UNIVERSAL PERIODIC REVIEW WORKING GROUP

JOINT NGO SUBMISSION ON THE SITUATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS IN EGYPT

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THIS JOINT REPORT OUTLINES THE KEY CONCERNS AND RECOMMENDATIONS OF 51 ORGANIZATIONS AND 79 UNIONS (SEE APPENDIX) ON THE REALIZATION OF ECONOMIC AND SOCIAL RIGHTS IN EGYPT, ON THE OCCASION OF EGYPT’S UNIVERSAL PERIODIC REVIEW BEFORE THE 20TH SESSION OF THE HUMAN RIGHTS COUNCIL.

IT WAS PRODUCED THROUGH A COLLABORATIVE PROCESS THAT INVOLVED A LARGE NUMBER OF ORGANIZATIONS AND UNIONS. WORKING GROUPS, LED BY THE ASSOCIATION FOR EDUCATION SUPPORT AND DEVELOPMENT, EGYPTIAN CENTER FOR CIVIL AND LEGISLATIVE REFORM, EGYPTIAN CENTER FOR ECONOMIC AND SOCIAL RIGHTS, EGYPTIAN INITIATIVE FOR PERSONAL RIGHTS, HOUSING AND LAND RIGHTS NETWORK—HABITAT INTERNATIONAL COALITION, NAZRA FOR FEMINIST STUDIES AND NEW WOMAN FOUNDATION, WERE RESPONSIBLE FOR DRAFTING VARIOUS SECTIONS OF THE REPORT. THE REPORT WAS COMPILED BY THE EGYPTIAN CENTER FOR ECONOMIC AND SOCIAL RIGHTS, WITH THE SUPPORT OF THE CENTER FOR ECONOMIC AND SOCIAL RIGHTS AND THE ARAB NGO NETWORK FOR DEVELOPMENT. A DRAFT WAS THEN CIRCULATED FOR CONSULTATION AND INPUT, WITH 51 NGOS AND 79 UNIONS ADDING THEIR ENDORSEMENT.

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I. INTRODUCTION

1. Since the Revolution in January 2011, Egypt has witnessed a period of immense socio-economic instability, ongoing political turmoil and continuous popular uprisings. Growing inequality in the country, fuelled by rising corruption, failing public services, and severely restricted options for participation and representation in policymaking, were key catalysts of the Revolution and remain at the core of popular dissatisfaction. Yet the successive administrations that have led Egypt since 2011 have failed to overcome the legacy of the former regime. In particular, the country’s major political transition has not been accompanied by the rights-based economic reforms desperately needed to tackle growing deprivations of economic and social rights and, ultimately, to sustain the transition.

2. First, Egypt has failed to prioritize the protection of economic and social rights in its response to the economic crisis that has gripped the country in the wake of its ongoing political instability. Priorities have been misplaced; to secure conditional foreign loans, successive administrations have pursued damaging austerity measures, for example increasing taxes on goods and services, and cutting food and fuel subsidies. Such measures are retrogressive because they risk disproportionately affecting the most vulnerable, yet there has been no rigorous assessment of the effects of these policies on vulnerable groups, no community consultation and no meaningful consideration of equitable alternatives.

3. Second, there has been no transition from the unpopular and inequitable economic model of the Mubarak regime. By not addressing the patterns of corruption and cooptation that have deprived the population of basic economic and social rights, Egypt has failed to maximize available resources to ensure the rights and well-being of the population. Successive administrations have not adequately addressed rising unemployment and underemployment and the growing informal work sector. The social security system suffers from low social insurance coverage and regressive welfare subsidies. And the quality of public services is rapidly deteriorating as a result of deregulation, privatization and underfunding.

4. Third, the rights of the most vulnerable, those who are being disproportionately affected by the political transition and economic crisis, are being neglected. According to latest official estimates, poverty rates are on the rise, with over a quarter of the population living in poverty; in addition, a third of young people are unemployed and one in three children under five are chronically malnourished. Women in Egypt have less access to basic social services and face widespread discrimination in employment, wages and work conditions. Children are particularly vulnerable to economic and social exploitation. The populations of informal settlements are swelling. At the same time, the rural poor suffer from limited access to basic public goods and infrastructure.

5. In addressing these concerns, this report reemphasizes many of the recommendations made to Egypt in its first UPR and presents new recommendations. In particular, it emphasizes that progressive policies are needed to mobilize domestic resources—including tax reform and capturing untapped flows lost to illicit activity—for sustainable investment in economic and social rights.

II. NORMATIVE AND INSTITUTIONAL FRAMEWORK

6. **Constitutional guarantees do not adequately safeguard economic and social rights against undue interference.** In January 2014, a new Constitution was passed by referendum. It recognizes several economic and social rights; most notably it provides for universal health coverage (art. 18) and progressive increases in public spending on education and health (art. 18-19). Nevertheless, the Constitution leaves many areas to be provided for or regulated “by law”, giving the government broad discretion that may result in undue limitations of rights. For example, article 15 states that “peaceful strikes are a right regulated by law”. This diminishes constitutional protection for striking workers by opening the door for legislation that effectively criminalizes strikes.
7. **Many rights have been disproportionately restricted through legislation, most notably freedom of association and assembly.** Article 77 of the 2014 Constitution does not recognize the plurality of unions. This is particularly troubling given Egypt’s history of corrupt, state-controlled unions. In addition, Law No.107/2013 on Public Meetings, Processions, and Peaceful Demonstrations, passed in November 2013, places many restrictions on demonstrations; demonstrations require prior approval and those not abiding by the law are subject to severe penalties. As a result of this vague, restrictive law, hundreds of protestors have been sentenced to prison terms and received fines averaging 50,000 EGP (7,100 USD) for protesting without prior permission.\(^1\) Law No.34/2011, enacted by the Supreme Council of Armed Forces, criminalizes participating in a strike or any activity that can delay or stop work during times of "emergency". The Emergency Law can be easily invoked during times of political turmoil; it was activated in August 2013, following the dispersal of the Pro-Morsi sit-ins, for example. As a result, there have been numerous arbitrary arrests and violence during protests and strikes throughout 2012 and 2013.\(^2\)

8. **Impunity for corruption has been codified in legislation.** Law No.4/ 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. Recent amendments to Law No.8/1997 on Investment Guarantees and Incentives prevent third parties from challenging contracts and deals between the state and investors and limit the right to litigate in such cases to the Minister of Investment, which risks increasing impunity for corruption and theft of public funds.\(^3\)

9. **Egypt has not ratified the Optional Protocol to the International Covenant on Economic, Social and Cultural Rights.** During its 2010 review, Egypt voluntarily committed to studying accession to the optional protocol. Nevertheless, it is yet to take steps towards meeting this commitment.

### III. EQUALITY AND NON-DISCRIMINATION

10. **Discrimination in employment, wages, and work conditions prevent many women from enjoying their economic rights.** The ratio of women-to-men in the labor force remains skewed. The 2013-14 Global Competitiveness Report ranked Egypt 143 (out of 148) on “women in labor force, ratio to men”.\(^4\) In the last quarter of 2013, women constituted a fourth of Egypt’s labor force.\(^5\) Women also make up a large percentage of Egypt’s unemployed; 25.1% of women were unemployed in 2013, compared to 10% of men.\(^6\) In rural areas, 62.6% of women were involved in unpaid family work in 2012.\(^7\)

11. Although Egypt accepted all recommendations with regard to women’s empowerment in its 2010 review, women remain poorly represented in certain professional fields like the judiciary and among senior officials and managers. In 2012, only 3% of all business owners were women.\(^8\) A large gender pay gap, especially in the private sector, where the women earned 29.8% less than men in 2010, continues to deprive women of their right to equal wages.\(^9\) Moreover, there is no legislation to protect women from sexual harassment at the workplace.

12. Many women—in both the public and private sectors—are deprived of their rights to maternity leave and to child care (including the provision of nurseries in the workplace), which are protected under labor law.\(^10\) Moreover, farmers, domestic workers and other workers in the informal sector—a large percentage of which are women—are deprived of social protection (e.g. health and social insurance).

13. **No significant progress has been made with regard to the recommendations Egypt accepted in its 2010 review to combat violence, sexual harassment and abuse.** Worryingly, women human rights defenders (WHRDs) have been facing epidemic levels of sexual violence, especially since February 2011. The systematic targeting of WHRDs, and the state’s failure to protect women, are indicative of attempts to expel women from the public sphere. Documented violations committed against WHRDs include arbitrary detention; physical assault, such as beating, kicking (at times with military boots), dragging, and
attempted choking; and sexual harassment and violence, including attempts to strip women, threats of rape during detention, and insults of a sexual nature. For example:

- On 10 March 2011, virginity tests were conducted systematically on seven female protesters detained at Tahrir Square. The alleged perpetrator of these tests was acquitted on 11 March 2012.11
- In November 2012, 19 cases of sexual assault, including gang rape were documented in Tahrir Square and its surroundings, while 24 cases were documented in January 2013, and 186 cases were documented during the period June 28 – July 7, 2013, during demonstrations demanding the removal of Mohammed Morsi. Authorities responded to the mob sexual assaults and gang rapes that took place in January 2013 by condemning women for “choosing to go to areas where there is a lot of prostitution”.12
- On 14 August 2013, the pro-Morsi Rab'aa sit-in was violently dispersed by police forces, resulting in the death of 19 women protesters.
- On 26 November 2013, over 50 activists and human rights defenders were arrested for protesting against the military trials of civilians. Of them, 26 were women activists, who were assaulted and sexually harassed.13
- On 25 January 2014, the third anniversary of the Revolution, three cases of sexual assault were documented, including one survivor under 18 and another who needed urgent medical attention.

14. **Authorities have failed to provide legal and medical support or redress to survivors of sexual violence.** As the above examples illustrate, the government continues to fail to prosecute these crimes whether perpetrated by a member of the public, policeman or soldier. There have been no impartial or independent investigations of these incidents. This impunity renders the authorities complicit in the increasing rate of sexual violence, especially assault and rape.

**IV. PROTECTION OF RIGHTS ON THE GROUND**

**The Right to Work, the right to just and favorable conditions of work**

15. **Soaring unemployment deprives millions of Egyptians of the right to work.** The unemployment rate climbed to 13.4% in the fourth quarter of 2013; increasing from an average of 9.1% between 2006 and 2010.14 Egypt’s intergenerational inequalities in relation to unemployment are among the starkest in the region, a fact that played a major role in the Revolution. One in three young people are unemployed, almost three times the national unemployment rate. The 2009 SYPE estimated that joblessness among youth (which includes those no longer seeking work) was 60%.15

16. **Effective policies to generate job growth are lacking.** Jobs in both the public and private sectors have been threatened with many factories and companies closing; 4600 public and private factories have closed in the past 3 years, resulting in the lay-off of thousands.16 The state’s failure to implement effective employment programs and policies for job-generation, as recommended during its 2010 review, combined with a worsening economic crisis, has resulted in a significant decrease in job creation. Job vacancies, as advertised in newspapers, decreased by 61.4% between December 2012 and December 2013.17

17. **Workers' strikes and protests have continued in response to the state’s failure to address poor working conditions, including low wages, inflexible hours, unfair dismissals, lack of insurance, and absence of job security.** There is a lack of decent jobs in Egypt, pushing an increasing number of people, especially women and young people, into the informal sector under precarious conditions. Over half of the labor force works informally, without benefits in the form of pension or insurance. For example, the 2009 SYPE reported that only a quarter (24.6%) of employed youth has health insurance and about a third
(35%) has social insurance. They often work without a contract, have no work permits and are mostly unregistered.18

18. **Real wages in Egypt have not kept pace with rising living costs.** Laws regulating the minimum wage, a crucial instrument for social protection, have seen a great deal of volatility. A new minimum wage was introduced in September 2013. However, it covers public sector employees only and does not extend to private sector employees. Further, its implementation has been delayed and several exceptions have been made, including for the Suez Canal Authority, Central Bank of Egypt and the Petroleum Authority and there is no mechanism to re-evaluate the minimum wage based on inflation rates.

19. **Workers in Egypt face restrictions on forming trade unions.** In response to crackdowns on strikes, there has been an increase in workers organization in independent unions and syndicates. By the end of 2013, five independent federations had been created, representing more than 1,600 independent unions. However, such unions and syndicates are not officially recognized by the state, especially in the absence of legislation recognizing plurality of unions and the right to association.

   The right to social security and an adequate standard of living

20. **Poverty has risen steadily over the past two decades and now affects over a quarter of the population, with pronounced regional variances in the depth and severity of poverty.** Egypt's poverty rate increased from 19.6% in 2004/2005 to 21.6% in 2008/2009, rising to 25.2% in 2010/11 and to 26.3% in 2012/13.19 Almost half of the population of Upper Egypt's rural areas (49.4%) lived in poverty in 2012/2013.20 More than half of Egypt's youth (51.3%) suffered from poverty in 2012,21 with children living in rural Upper Egypt the most vulnerable. The number of children deprived of an adequate standard of living is rising.22

21. **Egypt has failed to take adequate legislative, administrative and, importantly, budgetary measures to overcome the alarming rise in poverty and inequality.** In its 2010 review, Egypt committed to combating poverty, especially through intensifying its efforts at wealth distribution and ensuring the inclusion of all citizens. Nevertheless, successive administrations have continued the trend of deregulation, privatization and shrinking government expenditure. Trends indicate that the availability, accessibility, affordability and quality of public services essential for ensuring an adequate standard of living are continuing to deteriorate as a result.23

22. **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.** Egypt provides social security in three main ways: insurance, pensions, and welfare assistance in form of subsidies on food and fuel. Despite multiple laws providing insurance for various sectors, the number of insured decreased from 19 million in 2004/5 to 16.7 million in 2010/11.24

23. **In the absence of a meaningful human rights impact assessment, current attempts to reform the subsidy system threaten the welfare of millions of Egyptians.** Since negotiations on a proposed IMF loan began in 2011, Egypt has begun dismantling its subsidy system, especially on petroleum, food, housing, and agriculture. For instance, between 2011/12 and 2012/13, the agricultural subsidy decreased by 75%.25 While subsidy reform is necessary to ensure efficiency in reaching those in need, viable alternatives need to be in place before subsidies are dismantled. The World Food Program estimates that a further 9% of the population would have fallen below the poverty line in 2010/11 had these subsidies not been in place.26

24. In 2013, Egypt agreed to the World Bank’s “Energy and Social Safety Nets Sector Reforms Technical Assistance Project”. Phasing out energy subsidy, the Bank states, can “have a significant impact on the fragile socio-political situation in Egypt today.”27 Nevertheless, it is unclear how the social
safety net envisaged under the project will differ from the existing subsidy program, criticized for bureaucratic inefficiency, corruption, and lack of statistical capacity to reach the vulnerable.

25. Notably, the new project relies on the same mechanisms to reach vulnerable households, which reportedly remained inaccessible to many. Currently, the most vulnerable households benefit from less than 20% of total food subsidies, while 73% of those with access to ration cards are not classified as vulnerable. Similarly, 41.3% of vulnerable households did not have access to subsidized bread between June and September 2013, a figure that increased from 13.3% between April and June 2013.29

The Right to Food

26. Increasing food insecurity is resulting in higher levels of malnutrition. Egypt was listed as one of FAO's "Low-Income Food-Deficit Countries" in 2013. The prevalence of food insecurity increased from 14% in 2009 to 17.2% (13.7 million people) in 2011, driven by declining household purchasing power.30 Food insecurity is highest in rural Upper Egypt, but is also becoming an increasing concern in urban areas. The rate of children under five suffering from stunting (an indicator of chronic malnutrition) increased from 23% in 2005 to 29% in 2008, to 31% in 2011, which the WHO considers “high”.31

27. State policies pursued in recent decades, including removing subsidies on agricultural materials, increasing the cost of renting agricultural land, doubling land tax, increasingly using agricultural land for urban development and tourism, and the monopolization of farm products and methods of mass agriculture by foreign companies, have contributed to a food shortage in Egypt, which currently stands at 55% and is expected to increase to 75% in 2030.32

28. Thus, as a net food-importer, Egypt is vulnerable to shocks in global food prices. Food insecurity in Egypt is therefore an issue of household access driven by purchasing power. Food prices have increased significantly in recent years, depriving many families of their ability to meet basic food needs. Food and beverages prices increased by 14% between September 2012 and September 2013, with particular spikes for specific items such as breads and cereals (19.6%).33 As noted above, food subsidies are not reaching those most in need.

The Right to Housing

29. The lack of affordable housing in Egypt has led to a proliferation of informal housing nationwide, while development plans often violate the rights of residents in informal areas. Egypt’s investment in the housing sector dropped significantly over the past two decades, with economic liberalization leading to shrinking investment, harming the most vulnerable.34 In response, the National Housing Project (2005-2011) aimed to provide 500,000 subsidized housing units. However, it only provided 360,000 units, 90,000 of which were built by the private sector on subsidized land. Although the plan targeted "low-income" households, an inaccurate definition of "low-income" meant that subsidized units were available only to families in the second income decile and above, excluding the poorest 20%. In addition, the NHP targeted only those working in the formal sector, meaning that more than 40% of the population could not benefit from it.35

30. Under the auspices of urban development, the government has been implementing large slum-clearance schemes, resettling over 41,000 families over the last 15 years. Two thirds of these families were re-housed in city outskirts, far from their original residences. Little, if any, proper consultation occurred. Numerous incidents of unfair compensation or lack of legal tenure were recorded.36 More recently, the state cleared the homes of almost 1000 families in the Ezbet el-Nakhl area in Cairo without prior notice or consultation with the residents, and use of excessive force was reported.37
31. **Highly centralized policy-making results in inequitable services among different governorates.** While Greater Cairo's residents make up 22% of the total population, the city receives 74% of investment in land for housing units.\(^{38}\) While an average resident in Cairo consumes 1708 kws of electricity per year, a resident in Monofeya consumes 467 kws. The preferential treatment given to the main urban centers is catalyzed by the weak role of municipalities in Egypt. Local administrations rely on the central government for 80% of their budget. In 2012/2013, allocations to local administrations amounted to only 12%, significantly less than the global average of 20 to 30%.\(^{39}\)

**The Right to Water and Sanitation**

32. **Access to safe drinking water and sanitation is still out of reach for many people in Egypt, particularly those in informal settlements, peri-urban areas and rural areas.** Egypt is a water scarce country. However, water scarcity is exacerbated by unfair distribution. UN and government data suggest the majority of the population (98%) has access to ‘an improved source for drinking water’. Nevertheless, 2.3 million people (13.4% of total population) do not have a source of water in their homes.\(^{40}\) There are wide disparities between urban and rural areas and between governorates; two out of five (40%) of households in Minya do not have access to drinking water in their homes, compared to only 1.1% in Damietta, for example. There are also disparities in consumption levels. Average daily consumption is 140 liters in urban Cairo, compared to 35 to 44 liters in rural areas like Qena and Beheira.\(^{41}\)

33. Water quality is also a major concern, as highlighted by the Special Rapporteur on the Right to Water in 2009. A great deal of the refined water remains contaminated with harmful microorganisms and is not suitable for drinking.\(^{42}\) In July 2012, laboratory tests showed the percentage of ammonia in the water to be 180 times more than the accepted rate.\(^{43}\)

34. Access to sanitation lags even further behind water. 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 apparent.\(^{44}\) Connection rates in Greater Cairo were 96% in 2006, compared to 15% in isolated cities in Upper Egypt, for example.\(^{45}\) Thus, 50% of households, particularly in Upper Egypt, rely on trenches and community organized sewage systems.\(^{46}\)

35. **Without effective regulation, moves towards privatizing the water sector risks placing further obstacles on access to safe water and sanitation.** Although water production formally remains state-owned, a draft water law bill, proposed in 2010, paves the way for private investment in the sector.\(^{47}\) As noted by the Special Rapporteur, Egypt does not have a functioning regulatory framework for the water sector. In this context, privatization will likely increase prices, as already witnessed, and further deny equal access to water.

**The Right to Health**

36. **Egypt continues to spend less on healthcare when compared to similar countries, with households facing spiraling health care costs as a result.** Public expenditure on health has remained low, with only 4.32% of the budget in 2012/2013 and 4.02% in 2013/2014.\(^{48}\) This remains far from Egypt’s commitment under the Abuja Declaration to allocate at least 15% of its budget to improve health care. Low spending has led to a decline in the quality of public health services and citizens have been increasingly dependent on the private sector. Out-of-pocket expenditure accounts for over 70% of total health spending in 2008.\(^{49}\) In the same year, public expenditure accounted for 24.8%, decreasing from 30% in 2001/02, and 46% in 1994/95.\(^{50}\) According to CAPMAS, household expenditure increased significantly by 47.7% from 2008/9 to 2010/11, which is considered to be the highest percentage increase for household expenditure on the different sectors.\(^{51}\) The poorest 20% of households spend 21% of their income on health, significantly more than the richest 20%, who spend 13.5%.\(^{52}\)
37. **With low, uneven coverage of health insurance, access to health care services remains unequal and discrepancies continue to grow between rural and urban, upper and lower Egypt.** Only half of the population is covered by health insurance. In rural Upper Egypt and rural Lower Egypt, only 19.4% and 24.2% of the population respectively is covered.\(^5\) Women, rural residents, those in the lowest income segment and those who work within the informal sector are more likely to be uninsured.\(^4\)

38. The discrepancy between provision of health services in rural and urban areas is particularly marked. Beds in rural areas account for only 7.03% of the total number of beds.\(^5\) Further, only 19.6% of public sector physicians practice in rural areas.\(^6\) This misallocation of resources is impacting on access to crucial healthcare services. Women in Bani-Swai governorate (Upper Egypt) are three times more likely to die during child birth than women in Kafr El Sheikh (Lower Egypt), for example.\(^57\) Egypt has the lowest coverage of prenatal care among low-middle income countries in the region.\(^58\)

**The Right to Education**

39. **Despite some improvement in literacy and school enrollment overall, Egypt has witnessed increasing drop-outs and non-attendance.** The youth (ages 15-24) literacy rate has increased marginally—from 85% in 2005 to 87% in 2010.\(^59\) However, illiteracy is markedly higher among the rural population; it was 30.7% in 2012, compared to 17.7% among urban populations. Moreover, while net primary school enrollment averaged between 95% and 99% from 2006 to 2013, there are evident disparities depending on gender, residence and wealth. The 2009 SYPE showed that more than five times as many females (22.1%) than males (4%) have never attended schools in rural Upper Egypt, for example. According to UNICEF data, the number of drop-outs almost doubled, from 267,087 in 2005 to 644,717 in 2010.

40. **Decreased public spending has contributed to a deterioration in the quality of education and a burdensome increase in household spending.** 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.\(^60\) This has had a severe impact on the quality of education. UNICEF estimates that less than 10% of schools meet the national standards for quality education, while approximately one in five school buildings are not fit for use and lack functional water and sanitation facilities. The high number of students per classroom also hinders quality. In 2012/2013 there were 41.5 students per classroom in primary public schools on average, considerably less than the 31.5 in private schools.\(^61\) Poor investment in education has also meant that teachers' salaries have not kept up with inflation rates, while increasing numbers of families have had to turn to private tutoring. Tuition and school fees made up around 38% of a family's total expenditure on education in 2010, while private lessons made up 42%.\(^62\) The decrease in quality of education disproportionately impacts rural areas and vulnerable households, as reflected in academic achievement. The 2009 SYPE found that children from poor households constituted only 3-5% of achievers in the preparatory stage, and only 0.5% in the general secondary education stage.

**V. CHALLENGES TO HUMAN RIGHTS IMPLEMENTATION**

41. **Egypt is facing a serious economic crisis.** An increasing budget deficit, low GDP growth, significantly declining investments, diminishing foreign currency reserves, and an inflation rate which doubled from 6.3% in July 2012 to 11.5% in July 2013, all pose major challenges to the fulfillment of economic and social rights. Egypt has responded to its economic crisis with cuts in spending, regressive taxation and outstanding rates of borrowing.

42. **Egypt is failing to mobilize available resources to invest in key economic and social sectors, instead relying on unsustainable borrowing.** Egypt’s revenue-to-GDP ratio has remained considerably lower than comparable countries.\(^63\) This illustrates a long-standing concern that the government is not upholding its duties to maximize the resources available for human rights in equitable and efficient ways.
Instead it is relying on ballooning foreign debt. According to the Ministry of Finance, Egypt’s Foreign Debt increased by 16% between December 2012 and December 2013. Moreover, foreign debt per capita increased from $389.7 million in June 2012, to $532.8 in December 2013. During the first quarter of the 2013/14 financial year, Egypt received USD 14.9 billion in loans from Gulf Cooperation Council members, especially the Kingdom of Saudi Arabia and the United Arab Emirates, mostly as budget support.

43. Policies enacted are exacerbating existing patterns of poverty and inequality, contrary to the obligations of non-discrimination and non-retrogression. Economic policy since the Revolution has so far failed to effectively mobilize and allocate maximum available resources for the fulfillment of economic and social rights. As outlined above, retrogressive austerity measures—such as reducing food and fuel subsidies and increasing regressive taxes on goods and services—have been proposed, and in some cases enacted, without prior assessment of their human rights impacts or careful consideration of more equitable alternatives.

44. Egypt’s tax system places a disproportionate burden on low-income working families. A substantial amount of Egypt’s tax base (about 40%) comes from indirect taxes (largely sales tax), which unfairly impact lower income households. Increasing indirect taxes (e.g. introducing a Value-Added Tax) has been a priority response of successive administrations to address the budget deficit. The move to implement a VAT risks disproportionately burdening low-income people, while the scope for increasing revenue through shifting the tax burden to richer income quintiles remains unexplored.

45. Egypt has not curbed corruption and illicit financial flows, which would contribute significantly to reducing its budget deficit. The problematic culture of corruption in Egypt exists at both a low-level and grand-scale. Egypt ranked 114 out of 177 countries according to Transparency International’s 2013 Corruption Perception Index. Global Financial Integrity estimates that Egypt lost USD 57.3 billion to illicit financial flows between 2000 and 2009. This includes the estimated USD 132bn of stolen assets illegally transferred abroad during the Mubarak era. Yet, a significant proportion result from cross-border tax evasion by wealthy individuals and corporations. There do not appear to be any concrete, cooperative policies to end this corrosive phenomenon.

VI. RECOMMENDATIONS

We recommend that the Government of Egypt:

46. Strengthen measures for guaranteeing all economic, social and cultural rights, including by ratifying the Optional Protocol to the Covenant on Economic, Social and Cultural Rights, and ensure measures taken to address the country’s economic crisis do not impede the enjoyment of these rights.

47. Take concrete legislative and enforcement measures to eliminate all forms of violence against women. Conduct comprehensive and independent investigations into reports of sexual violence, including against women human rights defenders. Ensure the prosecution of perpetrators, including members of the military and police and provide effective remedies to survivors of sexual violence.

48. Introduce legislation to eliminate all forms of discrimination and violence against women, indigenous peoples, refugees or other groups that are vulnerable and marginalized, including by establishing the independent anti-discrimination commission, as stipulated by article 53 of Egypt’s Constitution. In doing so, the state should ensure the independence of the commission, and its ability to receive complaints from individuals on discriminatory practices, and its powers to investigate these allegations.
49. Adopt temporary special measures aimed at reducing women’s low representation in the workforce, their high prevalence in the informal sector, and the wage gap between men and women. Introduce penalties for gender discrimination in the workplace. Enforce labor laws that provide women access to maternity leave and childcare, including the provision of nurseries. Ensure women have recourse to the judicial system when their rights are deprived.

50. Combat unemployment, particularly among women, young people and in rural areas as a matter of priority, by taking steps to facilitate equal access to the labor market.

51. Improve working conditions by implementing a minimum wage that is in line with prices and inflation rates and covers workers in the private sector; combating labor informality; and passing unified labor laws governing the public and private sectors.

52. Protect the right to freedom of association by enacting legislation that recognizes independent labor unions and removes, in law and in practice, restrictions on the establishment of independent unions, as well as by repealing all laws criminalizing protests and strikes, especially Law No. 34/2011, and refraining from responding to workers’ strikes and protests with violence.

53. Combat hunger and malnutrition by assessing the human rights impact of reducing food subsidies and adopting programs of social protection and assistance to address the apparent retrogression in the right to food. Increase food security, particularly for those in extreme poverty in rural areas, by allocating resources equitably and enacting and implementing policies that promote sustainable agricultural practices.

54. Ensure that adequate housing is accessible for all by recognizing the tenure of semi-formal, and informal tenure holders; reforming social housing laws, policies and programmes so that they target those most in need; including affected communities in the planning and implementation of such programmes and allocating sufficient resources to them. Put an end to forced evictions and immediately halt all projects that operate under eviction decrees.

55. Ensure access to safe drinking water and adequate sanitation for all by developing and implementation a national plan that ensures independent regulation of the sector and prioritizes the elimination of disparities among governorates in the allocation of resources. In line with the 2014 Constitution, enact laws and policies that recognize the right to water as a public good.

56. Ensure equitable access to quality primary, secondary and tertiary healthcare services, particularly in low-income and rural areas, by more effectively mobilizing and targeting resources based on population needs and cost-effectiveness. Work actively on reducing out of pocket expenditure; in particular, expand health insurance coverage, especially among those employed in the informal sector.

57. Ensure all children can enjoy the right to free primary education, without discrimination, by improving the quality of public education. In particular, strengthen efforts, including through the fairer distribution of resources, to reduce disparities in education on the basis of gender, socio-economic group or governorates.

58. Reduce the incidence of poverty and improve living standards of people by developing and implementing a comprehensive national poverty eradication program. Such a program should include specific measures to mitigate the adverse impacts of the current economic crisis, paying particular attention to disadvantaged and marginalized individuals and groups.

59. Fulfill the obligation to dedicate the maximum available resources by increasing, to the extent possible, budget allocations to social sectors such as housing, food, health and education, as well as by
taking steps to reclaim assets acquired through corrupt practices, enhance tax collection through progressive policies, reduce illicit financial flows, and more effectively target subsidies.

60. Avoid retrogression in the enjoyment of economic, social and cultural rights by undertaking a participatory national study on the human rights impacts of removing subsidies, including on food and petroleum. In particular, compile disaggregated statistical information with a view to identifying the individuals and groups most affected by such measures and increase the effectiveness of efforts to protect their rights.

61. Combat corruption at national, governorate and municipal levels by strengthening national legislation and ensuring that it is effectively implemented, including through allocating sufficient human, technical and financial resources.
APPENDIX – LIST OF SUBMITTING ORGANIZATIONS

NGOS

1. EGYPTIAN CENTER FOR ECONOMIC AND SOCIAL RIGHTS
2. ARAB NGO NETWORK FOR DEVELOPMENT
3. ASSOCIATION FOR EDUCATION SUPPORT AND DEVELOPMENT
4. CENTER FOR ECONOMIC AND SOCIAL RIGHTS
5. HOUSING AND LAND RIGHTS NETWORK - HABITAT INTERNATIONAL COALITION
6. EGXIT FOR CIVIL AND LEGISLATIVE REFORM
7. EGYPTIAN INITIATIVE FOR PERSONAL RIGHTS
8. EGXIT FOR FEMINIST STUDIES
9. NEW WOMAN FOUNDATION
10. AL SHEHAB FOUNDATION FOR COMPREHENSIVE DEVELOPMENT
11. ASSIUT CHILDHOOD AND DEVELOPMENT ASSOCIATION
12. ASSOCIATION FOR FREEDOM OF THOUGHT AND EXPRESSION
13. ASSOCIATION FOR THE DEVELOPMENT AND ENHANCEMENT OF WOMEN
14. ASSOCIATION OF HEALTH AND ENVIRONMENTAL DEVELOPMENT
15. CAIRO INSTITUTE FOR HUMAN RIGHTS STUDIES
16. CARE
17. CARITAS EGYPT
18. COMMUNITY CINEMA INITIATIVE - FOUR WALLS CAMPAIGN
19. COOPERATIVES MOVEMENT
20. COPTIC EVANGELICAL ORGANIZATION FOR SOCIAL SERVICES
21. EGYPTIAN ASSOCIATION FOR COLLECTIVE RIGHTS
22. EGYPTIAN ASSOCIATION FOR COMMUNITY PARTICIPATION ENHANCEMENT
23. EGYPTIAN ASSOCIATION FOR COMPREHENSIVE DEVELOPMENT
24. EGYPTIAN ASSOCIATION FOR THE DEVELOPMENT OF THE CAPACITY OF CHILDREN WITH SPECIAL NEEDS
25. EGYPTIAN FEDERATION FOR CONSTRUCTION, TIMBER AND FREE WORKERS
26. EGYPTIAN FEDERATION FOR INDEPENDENT UNIONS OF CIVIL AVIATION
27. FUTURE FOUNDATION FOR DEVELOPMENT IN ASWAN
28. HAWA FUTURE ASSOCIATION FOR FAMILY AND ENVIRONMENTAL DEVELOPMENT
29. HELWAN ASSOCIATION FOR THE DEVELOPMENT OF THE COMMUNITY (BASHAYER)
30. HISHAM MUBARAK LAW CENTER
31. HOPE VILLAGE SOCIETY FOR SOCIAL DEVELOPMENT AND REHABILITATION FOR THE DISABLED
32. LAND CENTER FOR HUMAN RIGHTS
33. LOCAL FEDERATION OF INDEPENDENT UNIONS IN PORT SAID
34. NATIONAL LAWYERS GUILD INTERNATIONAL COMMITTEE
35. NEW WAY FOUNDATION FOR PEACE AND EDUCATION
36. PEASANT SOLIDARITY COMMITTEE
37. REGIONAL FEDERATION FOR INDEPENDENT UNIONS IN ASWAN
38. REGIONAL FEDERATION FOR INDEPENDENT UNIONS IN DAQAHLIYA
39. REGIONAL FEDERATION FOR INDEPENDENT UNIONS IN SUEZ
40. RO’YA FOR CONSULTANCY AND TRAINING
41. SHADOW MINISTRY OF HOUSING
42. SHOMOO EL-AMAL ASSOCIATION FOR CHILD CULTURE AND DEVELOPMENT
43. SOUTH CENTER FOR RIGHTS
44. TADAMUN: THE CAIRO URBAN SOLIDARITY INITIATIVE
45. TAKWEEN INTEGRATED COMMUNITY DEVELOPMENT
46. TANWEER FOUNDATION FOR DEVELOPMENT AND EDUCATION IN MINYA
47. THE INTERNATIONAL ASSOCIATION OF DEMOCRATIC LAWYERS
48. WOMAN AND DEVELOPMENT ASSOCIATION
49. WOMAN AND SOCIETY ASSOCIATION
50. YOUTH ASSOCIATION FOR DEVELOPMENT AND THE ENVIRONMENT
51. YOUTH ASSOCIATION FOR POPULATION AND DEVELOPMENT
TRADE UNIONS

GENERAL UNION OF PETROLEUM STATIONS WORKERS; INDEPENDENT DRIVERS UNION- SUEZ; INDEPENDENT SYNDICATE OF TEACHERS IN DAQAHLIYA; INDEPENDENT UNION FOR DRINKING WATER AND SANITATION EMPLOYEES; INDEPENDENT UNION OF ELECTRICITY CO. WORKERS; INDEPENDENT UNION OF PORT SAID SUFFICIENT PRODUCTION WORKERS; INDEPENDENT UNION OF PORT SAID TEACHERS; INDEPENDENT UNION OF TEACHERS- ASWAN; INDEPENDENT UNION OF TEACHERS- SUEZ; SYNDICATE FOR ARBITRATORS AND CONSULTANCY EXPERTS; SYNDICATE FOR EMPLOYEES IN CONTRACTING; SYNDICATE FOR GIZA'S STREET VENDORS; SYNDICATE FOR LOCAL GOVERNANCE EMPLOYEES IN DAQAHLIYA; SYNDICATE FOR QALYUBIYA STREET VENDORS; SYNDICATE FOR REAL ESTATE TAX EMPLOYEES, ASWAN; SYNDICATE FOR STATE DEPARTMENT OF MANAGEMENT AND ADMINISTRATION EMPLOYEES- ASWAN; SYNDICATE FOR STATE DISCIPLINE AND EDUCATION EMPLOYEES; SYNDICATE FOR STATE EMPLOYEES IN YOUTHS AND SPORT MINISTRY; SYNDICATE OF AL AZHAR EMPLOYEES; SYNDICATE OF COURTS AND PROSECUTION EMPLOYEES- ASWAN; SYNDICATE OF GENERAL TAX EMPLOYEES, PORT SAID; SYNDICATE OF PORT SAID COURTS AND PROSECUTION WORKERS; SYNDICATE OF PORT SAID HEALTH INSURANCE EMPLOYEES; SYNDICATE OF PORT SAID TOURISM WORKERS; SYNDICATE OF REAL ESTATE TAX EMPLOYEES- PORT SAID; SYNDICATE OF STATE CHEMICALS EMPLOYEES; SYNDICATE OF SUEZ CANAL AUTHORITY EMPLOYEES; UNION FOR ALEXANDRIA CONSTRUCTION AND TIMBER WORKERS; UNION FOR CAIRO ARCHITECTURE AND DAY LABORER; UNION FOR CAIRO’S CONSTRUCTION WORKERS; UNION FOR COMMUNITY AND CIVIL SERVICES WORKERS; UNION FOR CRAFTSMEN IN MANZALA; UNION FOR GIZA CONSTRUCTION WORKERS; UNION FOR HOUSEWIVES AND WORKERS IN SIMPLE CRAFTS; UNION FOR ISMAILYA SKILLED LABOR; UNION FOR MENYA MINES WORKERS; UNION FOR QALYUBIYA CONSTRUCTION AND TIMBER WORKERS; UNION FOR SHARQeya CONSTRUCTION WORKERS; UNION FOR SOHAG MINES WORKERS; UNION FOR SOUTH CAIRO’S IRREGULAR WORKERS; UNION FOR TRAINERS AND TRAINING CONSULTANCY WORKERS; UNION FOR WORKERS IN DAQAHLIYA FOR SUGAR CO.; UNION FOR WORKERS IN FURNITURE AND MEUBLES; UNION FOR WORKERS IN THE FIELD OF DISABILITIES; UNION FOR WORKERS IN THE MANURE FACTORY; UNION OF ’AFIA OILS WORKERS; UNION OF AIMAC PAPER CO. WORKERS; UNION OF ALICO EGYPT WORKERS; UNION OF CAIRO CONSTRUCTION WORKERS; UNION OF CRAFTSMEN IN MANSOURA; UNION OF EAST DELTA MILLS WORKERS; UNION OF EFCO. EGYPT OILS WORKERS; UNION OF EGYPT STEEL CO. WORKERS; UNION OF EGYPtIAN DRILLING WORKERS; UNION OF EGYPTIAN WIRES CO. WORKERS; UNION OF EGYPT-UNITED SUGAR CO. WORKERS; UNION OF FIVE-STARS MILLS WORKERS; UNION OF FOOD AID- ASWAN; UNION OF HEALTH SCIENCE EMPLOYEES- ASWAN; UNION OF HELNAN ASWAN HOTEL WORKERS; UNION OF HYDRO POWER STATIONS- ASWAN; UNION OF LAND TRANSPORT- ASWAN; UNION OF MARKET PROJECTS WORKERS; UNION OF NEWSPAPER SELLERS; UNION OF PORT SAID CONTAINER CO. WORKERS; UNION OF PORT SAID EGYPT-GAS WORKERS; UNION OF PORT SAID HEALTH SCIENCES EMPLOYEES; UNION OF PORT SAID’S UNEMPLOYED WORKERS; UNION OF PORT SOKHNHA WORKERS; UNION OF PROPER-LINE AND POLLY-PROPERLINE CO. WORKERS; UNION OF SALES TAXES WORKERS; UNION OF SALOME FIBERGLASS WORKERS; UNION OF SUEZ CUSTOMS WORKERS; UNION OF SUEZ NITRATE CO. WORKERS; UNION OF SUEZ PESTICIDES WORKERS; UNION OF SUEZ PETROLEUM CO. WORKERS; UNION OF WORKERS IN CENTRAL DELTA FOR ELECTRICITY; UNION OF WORKERS IN LABOR AWARENESS AND DEVELOPMENT- UPPER EGYPT; INDEPENDENT UNION FOR IRRIGATION-ASWAN
ENDNOTES

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