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**Promotion and protection of all human rights, civil,  
political, economic, social and cultural rights,  
including the right to development**

### **Report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights on his mission to Greece\***

#### **Note by the Secretariat**

The Secretariat has the honour to transmit to the Human Rights Council the report of the Independent Expert, Juan Pablo Bohoslavsky, on his mission to Greece from 30 November to 8 December 2015. In the present report, the Independent Expert assesses new developments since the visit of the previous mandate-holder in April 2013 to address human rights concerns arising out of the debt crisis and the economic structural adjustment programmes implemented in Greece (see A/HRC/25/50/Add.1).

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\* The present report was submitted after the deadline in order to reflect the most recent developments.

**Report of the Independent Expert on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights on his mission to Greece\*\***

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\*\* Circulated in the language of submission only.

## I. Introduction

1. Pursuant to Human Rights Council resolution 25/16, the Independent Expert on the effects of foreign debt and other related international obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights conducted an official visit to Greece from 30 November to 8 December 2015, at the invitation of the Government. His visit was in follow-up to the visit of the previous mandate holder to Greece from 22-27 April 2013 assessing the impact of the debt crisis and the structural adjustment programmes on the enjoyment of human rights.<sup>1</sup> The main focus of the visit was to receive updated information on the situation in Greece, which is currently implementing a third adjustment programme, signed on 19 August 2015 between the Government of Greece and the European Commission on behalf of the European Stability Mechanism (ESM).

2. During the visit, the Independent Expert met with the Deputy Prime Minister; the Minister of Economy, Development and Tourism; the Minister of Health; the Minister of Labour, Social Security and Social Solidarity; and the Alternate Minister for Migration Policy. He also met with senior officials from the Ministries of Education, Economy, Finance, Foreign Affairs, Interior and Administrative Reconstruction, Justice, Transparency and Human Rights and the Presidents of the Supreme Court and of the Council of State, Members of Parliament and members of the former Truth Committee on Public Debt.<sup>2</sup> His programme included meetings with representatives of the Central Bank of Greece, the European Commission, the International Monetary Fund (IMF), the Greek Ombudsman, the Greek National Commission for Human Rights, trade unions and employer organizations, civil society representatives, academic experts and officials from United Nations High Commissioner for Refugees.

3. The Independent Expert thanks the Government of Greece for extending an invitation to him and for its full cooperation throughout the visit. He wishes to express his appreciation to all of his interlocutors for taking time to meet him and engaging in an open and frank dialogue.

4. In follow-up to his visit to Greece the Independent Expert intends to undertake an official visit to Institutions of the European Union during 2016.

## II. Current context

5. Since May 2010 the Government of Greece has been implementing an economic adjustment programme as a precondition for securing financing packages from the International Monetary Fund the European Commission and the European Central Bank, also known as the “Troika” or as the “Institutions”. On the European side, Eurozone countries have established the European Financial Stability Facility (EFSF) and later the European Stability Mechanism (ESM) as vehicles through which financial support is provided. The programmes consist of stringent policy measures that entail deep public spending cuts, public sector job cuts, tax increases, the privatization of public enterprises and structural reforms, which are aimed at reducing the country’s fiscal deficit. As noted by the previous mandate holder and more recently by the Committee on Economic, Social, and Cultural Rights, past adjustment programmes had significant regressive impacts on in the

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<sup>1</sup> See, report of the Independent Expert on foreign debt and human rights, Cephias Lumina, A/HRC/25/50/Add.1

<sup>2</sup> Officially dissolved in November 2015.

enjoyment of human rights in Greece, in particular in the field of economic, social and cultural rights.<sup>3</sup> An updated overview of some of these adverse impacts is provided in Chapter V of the present report.

6. A number of changes have taken place since the visit of the previous mandate holder in April 2013. In January 2015 a new Government was elected, largely on an agenda to end austerity. Not having completed the second programme, the fiscal space of the new Government was very limited, as all expenditures and debt service had to be financed domestically, limiting de facto the ability of the Government to undertake without consent of the institutions any major reform with fiscal implications without risking default.

7. In an effort to mitigate the particularly harsh impacts of the economic crisis on certain rights-holders, the new Government introduced in March 2015 Law 4320/2015 which included certain “immediate measures to address the humanitarian crisis”. The law provided persons and families living in poverty free electricity supply up to 1.200 kwh/month, a housing benefit (limited to not more than 31.369 households), and a food stamps programme. The Independent Expert welcomes these measures, however there is consensus that with budgetary costs estimated at 0.1% of GDP<sup>4</sup> the measures will not be able to address in a holistic manner problems related to the affordability of the rights to housing or food for the increasing number of persons living in poverty in Greece.

8. During the first half of 2015 an uneasy relationship between the Government of Greece and its Eurozone Partners evolved over how to deal with the ongoing financial and economic crisis. The Eurogroup largely insisted that Greece fully implements adjustment measures previous Greek Governments had agreed to without further delaying their implementation, ruling out any further debt cancellation. The Greek Government continued to stress the need for debt relief.

9. No breakthrough could be reached in several rounds of negotiations while the financial situation in Greece became increasingly dramatic. In this context the Independent Expert issued a media statement on 2 June 2015 urging the European institutions, the IMF and Greece to show courage and reach an agreement, expressing his concern that without a compromise, Greece may sooner or later default, worsening the crisis. The Independent Expert noted that economic and social rights could be further undermined in Greece by lack of flexibility and courage to find a mutually beneficial deal that respects human rights. He stressed the need to find better solutions to prevent economic reform policies undermining the enjoyment of human rights and urged that the burden of adjustment must be shared in a fair manner, compliant with the obligations Greece and creditor States have assumed under the International Covenant of Social and Economic Rights, the European Social Charter and other international human rights standards.<sup>5</sup>

10. While efforts to secure a deal continued, Greece postponed on 5 June 2015 a 300 million debt repayment to the IMF to the end of the month, raising fears that the country

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<sup>3</sup> See A/HRC/25/50/Add.1 and E/C.12/GRC/CO/2; See as well Concluding observations by other Treaty bodies CCPR/C/GRC/CO/2, para 7-10; CRCR/GRC/CO/2-3, para 6, 18, 21, 28-29; CEDAW/C/GRC/CO/7, para 6, 28, 40, and European Parliament: The Impact of the crisis on fundamental rights across Member States of the EU, Country Report on Greece, 2015, PE 510.014 International Federation for Human Rights (FIDH), Downgrading rights: the cost of austerity in Greece (2014).

<sup>4</sup> European Parliament, Employment and social developments in Greece, Study, September 2015, PE 563.468, p.35

<sup>5</sup> Greek crisis: Human rights should not stop at doors of international institutions, says UN expert, 2 June 2015, available from: <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16032&LangID=E>

was again close to insolvency. Neither the Euro Summit with Heads of States on 22 June 2015 nor subsequent discussions at Eurogroup level resulted in an agreement acceptable to all parties. On 26 June 2015 the Greek Government decided to announce a referendum asking for a yes or no vote on proposals made by the Institutions which included various adjustment measures and structural reforms, including further cuts to pensions and social welfare expenditure.

11. The referendum, held on 5 July 2015 resulted in 61.3% “no” to the bailout conditions offered earlier by the institutions with a voter turnout of 62.5%. At the same time Greek public opinion continued to show strong support for remaining in the European Monetary Union (EMU).

12. Following the referendum the Greek Government decided to continue negotiations to avoid default and a possible exit from the EMU. A new Government proposal for a bailout package was endorsed by the Greek Parliament and on 12 July 2015 agreement was reached between the Greek authorities and Eurozone leaders to negotiate a third Memorandum of Understanding (MoU) on the condition that the Greek Parliament adopts upfront certain “trust building measures”. The Independent Expert urged in this context Greece and European Institutions that further austerity measures should not come at the cost of human rights, expressing concern that some of them could be incompatible with international human rights law.<sup>6</sup>

13. The third economic reform programme includes additional loans of EUR 86 billion over the years 2015-2018 and detailed adjustment and structural reform measures outlined in the MoU.<sup>7</sup> However during the vote on the first set of measures (Law 4336/2015) in Parliament the Government lost its majority and had to rely on opposition parties to get the package passed, reflecting a defection by a number of Syriza MPs who rejected the terms of the third MoU. A snap election was called for in 20 September 2015, resulting in a majority for the ruling Syriza-Independent Greek (ANEL) coalition Government.

14. The deal between the Eurozone States and Greece included a European Commission funded “Jobs and Growth Plan for Greece” to support Greece over the period 2014-2020 with 35 billion EUR through various European funds. About 3.9 billion EUR, or 11% of the entire package, are expected to be spent in on active labour market and social inclusion policies, including for the Youth Employment Initiative.

15. On top of the economic and social crisis Greece another humanitarian and human rights crisis has unfolded. Since January 2015 Greece is witnessing an unprecedented increase in the inflow of refugees and migrants to its territory, mainly from conflict-torn countries such as Syria, Afghanistan and Iraq. According to Government information almost 950.000 refugees and migrants through Greek-Turkish sea borders in 2015, while more than 66.000 arrived in January 2016. At least 272 refugees died during the dangerous transit from Turkey to Aegean Islands in the territorial waters of Greece while more than 150 person were reported missing during 2015.<sup>8</sup> Greece made increased efforts to rescue refugees fleeing from war, crossing the Mediterranean Sea on unseaworthy boats and dinghies, including 2.500 search and rescue operations by the Hellenic Coast Guard. The Greek State has provided aid and encouraged solidarity and support by the local population. There have been also positive developments in relation to the Greek Government policy

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<sup>6</sup> Media Statement, 15 July 2015, available at:  
<http://www.ohchr.org/en/NewsEvents/Pages/DisplayNews.aspx?NewsID=16238&LangID=E>

<sup>7</sup> Available from:  
[http://ec.europa.eu/economy\\_finance/assistance\\_eu\\_ms/greek\\_loan\\_facility/pdf/01\\_mou\\_20150811\\_en.pdf](http://ec.europa.eu/economy_finance/assistance_eu_ms/greek_loan_facility/pdf/01_mou_20150811_en.pdf)

<sup>8</sup> UNHCHR, information available from <http://data.unhcr.org/mediterranean/country.php?id=83>

towards refugees and irregular migrants, including a reduction of administrative detention. However, owing to austerity and the economic crisis, the Greek State is in a difficult position to respond adequately to the refugee crisis without additional European and international aid.

### **III. Human rights obligations in the context of economic adjustment**

#### **A. Obligations of Greece**

16. When implementing structural adjustment measures, borrowing and lending States and lending institutions have obligations under international human rights law. Economic adjustment policies may raise important concerns regarding the protection of economic, social and cultural rights as they may be incompatible with the obligation to ensure that every individual enjoys essential minimum levels of fulfilment of such rights or incompatible with the obligation of States to ensure their progressive realization and to avoid deliberate retrogressive measures.

17. The Committee on the Economic Social and Cultural Rights has recognized that economic and financial crises impede the progressive realization of economic, social and cultural rights and can lead to retrogression in the enjoyment of those rights. With respect to austerity measures and other adjustment policies, the Committee underscored four requirements that any proposed policy change should meet. First, that the policy is temporary and limited to the period of crisis; second, the policy is necessary and proportionate; third, the policy is not discriminatory and encompasses all possible measures, including fiscal measures, to ensure the necessary measures to mitigate inequalities that may arise in times of crisis; and fourth, the policy identifies the minimum core content of the rights enshrined in the Covenant, or a social protection floor, as developed by the International Labour Organization, and ensures the protection of this core content at all times.<sup>9</sup> In addition, States bear the burden of establishing that austerity measures have been introduced only after the most careful consideration of all other less restrictive alternatives.<sup>10</sup>

18. The Guiding Principles on foreign debt and human rights also underscore that States should ensure that their rights and obligations arising from external debt agreements or arrangements do not hinder the progressive realization of economic, social and cultural rights.<sup>11</sup>

#### **B. Obligations by European institutions, the IMF and Eurozone States**

19. While Greece holds primary responsibility to ensure that human rights within its territory are protected, the obligation to protect, respect and fulfil human rights is also applicable to multilateral institutions, including international financial institutions, and States when deciding on conditionalities and adjustment measures attached to lending. States retain their international human rights law obligations when they participate in multilateral institutions or exercise effective control over lending institutions, such as the

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<sup>9</sup> Letter from the Chairperson of the Committee on Economic, Social and Cultural Rights dated 16 May 2012.

<sup>10</sup> E/2013/82, para. 18.

<sup>11</sup> A/HRC/20/23

EFSF. International institutions, acting on behalf of members States such as the ESM, European Commission, ECB or IMF have, in the first instance, to ensure that their policies respect international human rights standards. The Guiding principles on foreign debt and human rights capture the content of those obligations.

20. It is recognized that States acting alone, jointly with others or through international organizations have human rights obligations beyond their own borders. Extra-territorial human rights obligations have been reaffirmed by United Nations treaty bodies in their General Comments and in an increasing number of Concluding Observations<sup>12</sup> and in the Guiding principles on foreign debt and human rights.

21. According to the Treaty of the European Union (TEU), the European Union and its institutions are committed “to the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities” (Article 2) and “shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.” (Article 3 (3)). The institutions of the European Union, including the European Commission and the ECB are furthermore bound to comply with the requirements of the EU Charter of Fundamental Rights, which includes among others the rights to fair and just working conditions, to social security and social assistance and to health care.<sup>13</sup>

22. While it should be noted that with the exception of the Convention on the Rights of Persons with Disabilities, the European Union is not party to international human rights treaties of the United Nations, institutions of the European Union are nevertheless bound to comply with human rights enumerated in the Universal Declaration of Human Rights or which are part of customary international law or reflect general principles of international law.

23. It is the view of the Independent Expert that the European Commission remains bound by the full extent of European Union laws, the Charter of Fundamental Rights and has to protect and respect human rights enumerated therein also when it acts on the basis of the treaty establishing the European Stability Mechanism (ESM).<sup>14</sup> In addition, the ESM itself has to protect and respect the human rights enumerated in the Charter of Fundamental Rights given that, despite having a legal basis separate from the treaties, it constitutes a vehicle for the exercise of public authority in the framework of the Eurozone as referred to in Art. 136 (3) of the Treaty on the Functioning of EU.<sup>15</sup>

<sup>12</sup> Committee on Economic, Social and Cultural Rights, General comments No. 12, para 36-39, No. 15, para. 30-36 and No. 19, para. 52-58; Concluding Observations relating to Austria E/C.12/AUT/CO/4, para 11-12; Belgium C.12/BEL/CO/4, para 22; China, E/C.12/CHN/CO/2, para 12-13; Germany E/C.12/DEU/CO/5, para 9-11; Switzerland, E/C.12/CHE/CO/2-3, para. 24. Similar General Comments and Concluding Observations relating to the extraterritorial application of international human rights treaties have been made by other treaty bodies.

<sup>13</sup> Article 6 (1) TEU, Charter of Fundamental Rights of the European Union, Articles 26, 27, 31, 34, 35.

<sup>14</sup> See as well the position of Advocate General J. Kokott in the *Pringle* case, Case C-370/12 of 27 November 2012, para 178; Salomon, M, Of Austerity, human rights and international institutions, European Law Journal No. 4 (2015) and De Schutter, O. and M. Salomon, Economic political conditionality, social-economic rights and International legal Responsibility. The Case of Greece 2010-2015, available at:

<http://www.lse.ac.uk/humanRights/documents/2015/SalomonDeSchutterGreekDebtTruth.pdf>

<sup>15</sup> A Bogdandy and M Goldmann, Sovereign Debt Restructurings as Exercises of International Public Authority: Towards a Decentralized Sovereign Insolvency Law in Esposito et al (eds), *Sovereign Financing and International Law: The UNCTAD Principles on Responsible Sovereign Lending and Borrowing* (New York, Oxford University Press, 2013) 39.

24. The Independent Expert welcomes that EU regulation 472/2013 now provides that “budgetary consolidation efforts set out in the macroeconomic adjustment programme shall take into account the need to ensure sufficient means for fundamental policies, such as education and health care” (Article 7 (7) 2), however it should be noted that no explicit references to economic, social and cultural rights are made in the regulation except for the need to respect the right of collective action and bargaining in the design of an adjustment programme (Article 7 (1)).

25. The IMF is bound to act in compliance with general international law, including human rights. As a specialised agency of the UN, the IMF is as well bound to act in accordance with the principles of the Charter of the United Nations, which refers to the realization of human rights and fundamental freedoms as one of the purposes of the Organization, to be achieved in particular through international economic and social cooperation.

### **C. Procedural obligations: human rights impact assessments and right to participation.**

26. According to the Guiding principles on foreign debt and human rights, “Lenders should not finance activities or projects that violate, or would foreseeably violate human rights in the Borrower States. To avoid this eventuality, it is incumbent upon lenders intending to finance specific activities or projects in Borrower States to conduct a credible Human Rights Impact Assessment (HRIA) as a prerequisite to providing a new loan.”<sup>16</sup> Similarly the Guiding principles on Extreme Poverty and Human Rights require carrying out a human rights impact assessments and this obligation pertains as well to States implementing policy measures within their jurisdiction based on international agreements.<sup>17</sup>

27. In the context of the adjustment programmes implemented in Greece, the Committee on the Elimination of Discrimination Against Women, the Committee on the Rights of the Child, the Committee on Economic, Social and Cultural Rights, the Independent Expert on foreign debt and the Greek National Commission for Human Rights had recommended to the Government of Greece and to the lending institutions to conduct human rights impact assessments.<sup>18</sup>

28. It should be noted that the European Commission has as well set out guidelines to undertake systematic human rights or social impact assessments of its own legislative proposals and developed methodologies for conducting human rights impact assessments of its external policies<sup>19</sup>, but failed to undertake so far any meaningful human rights’ impact assessments when designing the adjustment programmes.

<sup>16</sup> A/HRC/20/23. para. 40.

<sup>17</sup> A/HRC/21/39, para 61 and 92.

<sup>18</sup> CRC/C/GRC/CO/2-3, para. 29; CEDAW/C/GRC/CO/7, para 40, E/C.12/GRC/CO/2, paras. 14, 24, 32; A/HRC/25/50/Add.1, para 91; GNCHR, Impact Assessment on Human Rights as an instrument for the protection of human rights in times of Crisis (in Greek), available at: [http://www.nchr.gr/images/pdf/apofaseis/oikonomikh\\_krish/Dilwsi\\_EEDA\\_%20metra\\_litotitas\\_2015.pdf](http://www.nchr.gr/images/pdf/apofaseis/oikonomikh_krish/Dilwsi_EEDA_%20metra_litotitas_2015.pdf).

<sup>19</sup> European Commission, Operational Guidance on taking account of Fundamental Rights in Commission Impact Assessments, from 6 May 2011, SEC(2011) 567 final, Guidance for Assessing Social Impacts in the Commission Impact Assessment system, Ref. Ares(2009)326974, European Commission, Action Plan on Human Rights and Democracy (2015-2019), JOIN(2015) 16 final.

29. The adjustment programmes within Greece have also raised issues relating to human rights principles of transparency, participation and accountability.<sup>20</sup> For example the European Parliament denounced in a resolution the lack of transparency in the MoU negotiations; noting the need to evaluate whether formal documents were clearly communicated to and considered in due time by the national parliaments and the European Parliament and adequately discussed with the social partners. The Parliament also regretted the general “weak democratic accountability” of the Troika, noting that when consulted, national parliaments were faced with the choice between eventually defaulting on their debt or accepting Memoranda of Understanding negotiated between the Troika and national authorities, leaving thus only limited scope for public scrutiny, changing or improving adjustment programmes.<sup>21</sup>

30. It should be noted that EU regulation 472/2013 contains now an article requiring Member States undergoing adjustment to “seek the views of social partners as well of relevant civil society organizations when preparing its draft macroeconomic adjustment programmes, with a view to contributing to building consensus over its content” and recommends that “Member States shall involve society organisations in the preparation, implementation, monitoring and evaluation of financial assistance programmes, in accordance with national rules and practice.” While the July 2015 referendum and the snap elections of September 2015 have to a certain extent allowed the general public in Greece to express their views, concerns about the lack of adequate consultation and participation have remained, as negotiations between the institutions and Government continue to take largely place behind closed doors. There is also a widely felt lack of ownership in the economic reforms implemented in Greece since 2010 as they are widely regarded as imposed from outside.

## IV. Structural adjustment in motion

### A. Excessive austerity

31. By slashing public expenditure and internal demand, the first and second structural adjustment programmes deepened the Greek economic crisis significantly. The GDP dropped by about 25% during 2008-2013 and growth rates have remained around 0% since 2014. According to latest economic forecasts a further drop of the GDP of 0.7% is expected in 2016 followed by a modest growth of 2.7% in 2017, based on the assumption that adjustment measures finally result in and desired positive economic impact.

32. The austerity packages of 2010 and 2012 saw unprecedented cuts in Government expenditure. According to latest available Eurostat data, General Government expenditure was reduced from 128 billion EUR to 108 billion EUR during 2009-2013, reflecting cuts of 15.7% significantly outnumbering reductions in other Eurozone countries undergoing adjustment, such as Ireland (-11.3%), Spain (-5.9%) or Portugal (-2.7%).

33. The Independent Expert is in particular concerned that social protection expenditure was not sheltered in any form when it was most needed for the protection of an increasing number of persons in situation of vulnerability. Instead, social protection expenditure witnessed cuts by 21.3% during 2009-2013 (see Table 1). This contrasts the overall trend in the Eurozone, which saw during the same period an increase of social protection

<sup>20</sup> Guiding Principles on foreign debt and human rights, para 28-32.

<sup>21</sup> European Parliament Resolution (2013/2277(INI)), of 13 March 2014 para. 30 and 56.

expenditure by 8.4% (Portugal and Spain increased their social protection spending by 9.1 or 6.8% respectively).

**Table 1: General government expenditure by function, Greece 2009-2013**

General Government expenditure in million EUR	2009	2010	2011	2012	2013	change 2009-2013
Total General Government expenditure	128,150	117,774	111,633	104,491	108,009	-15.7%
General public services	28,365	27,590	26,672	20,796	17,645	-37.8%
Social Protection	44,473	42,908	42,422	39,799	34,997	-21.3%
Old Age	30,794	30,516	30,218	29,731	26,274	-14.7%
Sickness and disability	3,974	3,919	3,682	3,435	2,680	-32.6%
Survivors	3,645	3,365	3,385	3,395	2,751	-24.5%
Family and Children	2,342	2,361	1,384	1,178	1,201	-48.7%
Unemployment	2,377	2,266	3,241	1,840	1,668	-29.8%
Housing	817	145	200	45	209	-74.4%
Social exclusion	189	81	160	71	36	-81.0%
Economic Affairs	12,735	9,805	8,398	12,987	27,535	116.2%
Health	16,089	15,393	13,314	11,079	9,249	-42.5%
Hospital services	9,696	9,308	7,483	6,722	5,639	-41.8%
Medical products, appliances and equipment	5,230	5,063	4,708	3,680	2,658	-49.2%
Outpatient services	770	745	800	452	740	-3.9%
Education	9,636	9,007	9,164	8,607	8,189	-15.0%
Pre-primary and primary education	3,027	2,789	2,878	2,667	2,502	-17.3%
Secondary Education	3,653	3,348	3,280	2,940	2,610	-28.6%
Tertiary Education	2,128.0	1,937	1,894	1,856	1,632	-23.3%
Defence	8,167.0	5,768	4,960.0	4,607	3,881	-52.5%
Public Order and Safety	4,237.0	4,036	3,587.0	3,539	3,357	-20.8%
Recreation, Culture and Religion	1,560.0	1,257	1,287.0	1,265	1,180	-24.4%
Housing and community amenities	884.0	446	384.0	416	514	-41.9%

Source: Eurostat, General Government expenditure by function (COFOG) (gov\_10a\_exp).

34. Limited funds that had been available to combat social exclusion, for rental and housing support and family and child benefits were reduced drastically. Spending to support sick persons and persons with disabilities decreased also disproportionately, while pension benefits – the biggest social expenditure and backbone of the social protection system of Greece – saw consecutive cuts in line with the overall reduction of Government expenditure. Unemployed benefits fell nearly by one third while unemployed rose during the same time nearly threefold. Analysing the development of social protection expenditure it can sadly be said that reductions were particularly harsh for the most marginalised who lacked any strong political lobby.

35. Public health expenditures saw an unprecedented fall from EUR 16.1 billion to EUR 9.3 billion during 2009-2013, or by 42.5% within five years. At the same time demand for public health care services increased, as more people could not anymore afford private health care. Nobody disputes that a reform of the Greek public health care system was overdue and that cost reduction measures needed to be taken to improve its efficiency or

reducing the cost of medicines. However, the excessive austerity in the public health care sector literally killed first nurse and doctor before treating the patient. Even when trying to minimize impacts on health service delivery to rights-holders through strategic cuts, it is impossible to undertake such drastic cuts in a short period without jeopardizing the right to health in all its dimensions, which include accessibility, affordability, acceptability and quality.

36. Education expenditure decreased heavily between 2009 and 2013 with spending on secondary schools absorbing a reduction by 24.4%. It should be noted that heavy cuts were also made in the field of general public service, reflecting salary reductions and hiring freezes and other cost saving measures. While defence expenditure per capita remained above Eurozone average, significant cost saving measures were also undertaken in this field along with expenditure reductions for police, fire brigades, justice, culture, religious affairs, housing and communities amenities. The only category which saw an upward trend in Government expenditure was economic affairs, reflecting the immense cost of recapitalisation of Greek Banks in 2013.

## **B. Measures foreseen under the third economic reform programme**

37. From a human rights point of view the most sensitive contents of the third economic programme include the pension reform, aiming at further reducing spending on pensions by 1% of GDP and a Social Welfare Review that shall generate further reductions by 0.5% of GDP in public social spending.

38. While the Independent Expert fully supports efforts to redirect social welfare benefits to protect the most vulnerable, he seriously would like to question further cuts in social welfare spending of about 887 Million EUR per annum in the context of significant increased poverty and social exclusion in Greece. In his view such reductions on top of earlier cuts are incompatible with the obligation to ensure that all persons in Greece can enjoy at least core minim essential levels of social and economic rights and incompatible with obligations contained in article 2(1) of the ICSECR.

39. The planned introduction of a Guaranteed-Minimum-Income (GMI) Scheme, which essentially shall close large gaps in the Greek social welfare net, should already have been a priority of reform in 2011 and 2012 to counter the adverse human rights impacts of adjustment. He is however worried that this important reform shall be implemented in “a fiscally neutral manner”. This risks that either the GMI scheme will not reach all in need, or that individual levels of benefits could lose the intended function to secure social and economic rights by moving recipients out of poverty and destitution.

40. The Independent Expert welcomes that the adjustment programme foresees the expansion of guaranteed employment support schemes covering currently 50.000 persons to 150.000 persons by March 2016 targeting long term unemployed, young people and disadvantaged groups. The programmes will support job creation and include as well training combined with employment. He is however concerned that this alone will be insufficient to reduce significantly the current number of more than 1.1 million unemployed.

41. The Memorandum of Understanding foresees furthermore an assessment of the Greek educational system to identify the scope for further rationalisation of classes, schools and universities. The adjustment programme includes as well various actions to fight tax evasion and corruption, to improve collection of tax debt and outstanding social security contributions. While these are laudable goals, this can contain human rights risks, if they result in increasing the vulnerability of over indebted poor individuals and households that are unable to fully repay these debts.

42. In the field of justice selective increase of court fees and measures to address backlog of cases in administrative and civil courts are planned. Main focus appears to be speeding up justice that may be positive if rights-holders may receive justice more speedily, but can result in problematic outcomes, if it involves reducing due process guarantees or imposing barriers to justice through prohibitive court fees. On the positive the adjustment programme requires a proposal from the Greek Government aimed at ensuring better access to justice of vulnerable persons.

### **C. Social impact assessment of the European Commission**

43. The Independent Expert welcomes the publication of a social impact assessment for the third adjustment programme by the European Commission in August 2015.<sup>22</sup> However, he regrets that the document fails to evaluate the social impacts caused by the first and the second adjustment programme and thus fails to draw any lessons from what went wrong.

44. The social impact assessment is not a human rights assessment. It does not make any reference to human rights, nor to the rulings by the Greek Council of State, recommendations by the Greek National Commission for Human Rights, or to the comprehensive country study carried out on behalf of the European Parliament on the impact of the crisis on fundamental rights in Greece. It does not consider the views of the Council of Europe, the European Social Committee monitoring the implementation of the European Social Charter, or findings and recommendations by human rights mechanism of the United Nations, including those of his predecessor.

### **D. Debt sustainability**

45. Analyses of the sustainability of the Greek debt have a history of misdiagnosis projecting each time higher debt to GDP ratios the later the assessments were published. There have also been notable differences in the projections made by the IMF and the European Commission.<sup>23</sup> With a debt to GDP ratio estimated to peak at 200%, only very few economists claim that the extreme large Greek public debt is sustainable. While loans include now extreme long periods of maturity and grace periods on interest, the problem of servicing the debt will come up sooner or later. The Independent Expert shares the view articulated also by the IMF in July 2015 that due to the severe unsustainability of the Greek public debt further debt relief is needed. According to the IMF Greece would likely face debt service payments in excess of 15% GDP, which could only be controlled by annual grants to the Greek government budget, dramatic extensions of grace periods to 30 years on all European debt and/or “deep” upfront haircuts.<sup>24</sup> A few months later the sustainability of the debt was seen by the institutions of a lesser problem, without specifying what assumptions had changed to justify such a view.

46. In the view of the Independent Expert it would be more beneficial to agree on debt relief earlier than postponing it artificially, taken into consideration evidence that economic recovery after debt crises is more robust if sufficient debt relief is granted in a timely fashion in the form of debt write-offs, compared to maturity extensions and interest rate

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<sup>22</sup> European Commission, *Assessment of the Social Impact of the new Stability Support Programme for Greece*, Commission Staff Working Document, 19 August 2015, SWD(2015) 162 final

<sup>23</sup> J. Schumacher and B. Weder di Maruo, *Diagnosing Greek debt sustainability: Why is it so hard?* Brookings Paper on Economic Activity, September 2015.

<sup>24</sup> See IMF country report No. 15/186.

reductions.<sup>25</sup> In the end this should be in the interest of all parties as it increases as well the likelihood that the restructured debt can actually be repaid.

## **E. Truth Committee on Public Debt**

47. The previous mandate holder had recommended undertaking a debt audit, which was implemented by a committee established by a decision of the former President of the Hellenic Parliament. The Truth Committee on Public Debt published an interim report analysing the evolution, composition and conditionalities imposed on loan agreements, its human rights impact and provided a legal assessment of the Memoranda and Loan Agreements.<sup>26</sup> In the view of the Truth Committee the current Greek debt is not only unsustainable, but as well illegitimate, odious and illegal as loan agreements disrespected proper legal procedures provided for by domestic law. The Committee issued a second report in July 2015 criticizing the August 2015 Memorandum of Understanding and Loan Agreement, inter alia on the grounds that the MoU contradicts the outcome of the referendum from 5 July 2015.

48. In the present report the Independent Expert decided not to analyse questions of alleged illegitimacy or odiousness of the Greek public debt, raising complex legal questions. In his view sound arguments for debt relief can sufficiently be based on the unsustainability of the Greek public debt<sup>27</sup> and on human rights arguments, as lenders should not reasonably and legitimately expect to be repaid in full, when this results ultimately in the denial of human rights.

49. While the Committee has been formally dissolved in November 2015 there is a need to continue to draw lessons from the past, including in the field of establishing better judicial and administrative accountability for Government officials and decision makers in the private sector who contributed to the debt crisis. The work of the Special Investigation Commission of the Parliament in Iceland that was established after the banking collapse in that country could provide inspiration in that respect.

## **F. Response of national judicial and non-judicial protection mechanisms**

50. Several laws implementing austerity measures were challenged in court. While initially courts followed a more cautious approach, more recent judgements mark a stronger disjuncture. In 2012 the Supreme Administrative Court declared the practice of cutting consumers from electricity supply as impermissible if they failed to pay certain taxes levied through electricity bills. In 2014 the Court declared certain retroactive pension cuts and salary reductions for the armed forces and police unconstitutional (judgments No. 2192-2196/2014). More recently it declared also unconstitutional certain cuts to the main and supplementary pensions enacted in 2013 (judgements no. 2287-2290/2015).

<sup>25</sup> Reinhart, Carmen M. and Christoph Trebesch, Sovereign Debt relief and its Aftermaths, HKS Faculty Research Working Paper Series, RWP15-028, June 2015.

<sup>26</sup> See for example Hellenic Parliament, *Truth Committee on Public Debt: Preliminary report*, (18 June 2015), available at: <http://www.hellenicparliament.gr/en/Enimerosi/Grafeio-Typou/Deltia-Typou/?press=f660f87e-9410-414c-9476-a4bb016e6c48>.

<sup>27</sup> See J.P. Bohoslavsky and M. Goldmann, An Incremental Approach to Sovereign Debt Restructuring: Sovereign Debt Sustainability as a Principle of Public International Law; M. Michael Riegner, Legal Content and Consequences of Sustainability as a Principle in Sovereign Debt Restructuring, both in Yale Journal of International Law Online, 2016 (forthcoming).

51. The Independent Expert would like to encourage the Greek judiciary to rely more frequently on international and regional human rights standards in their adjudication. He recommends to improve access to justice for marginalised groups of society.

52. In this relation it should be noted that the Greek Ombudsman plays an important role as an independent authority to protect the rights of citizens, ensure compliance with rule of law and combat maladministration. Complaints submitted to the Greek Ombudsman have significantly increased during the financial crisis (2012: 11.702 complaints, 2014: 16.339 complaints). In particular complaints related to social protection, welfare and taxation increased. The Ombudsman intensified also its efforts to address systemic problems reflected in complaints by stressing in its reports to Parliament the need to ensure that national legislation implementing adjustment measures complies with human rights standards. In its interventions the Greek Ombudsman continuously underlined the need to strengthen social welfare and services for vulnerable groups, to find effective ways to secure access of all citizens to health services, to relieve poor persons from heavy tax burdens or unbearable personal debt repayment terms or to prevent interruption of impoverished households from electricity and water supply.

53. Similarly, the Greek National Commission for Human Rights (GNCHR) voiced in numerous statements and submissions to national authorities and international bodies its concerns about violations of social rights, mounting barriers to access justice and the lack of adequate consideration of recommendations and decisions of national, European and international human rights monitoring bodies in relation to the implementation of austerity measures and economic reform policies within Greece. The GNCHR is worried that the drastic cuts in social expenditure undermine the ability of the State to guarantee basic economic and social rights. It expressed concerns about the dismantling of the welfare state, an increase of extremist and intolerant elements within society and lack of capacity of the Greek State to fulfil human rights obligations in the context of immigration and management of refugee flows.<sup>28</sup>

54. The Independent Expert regrets that concerns and recommendations expressed by the Greek Ombudsman and the GNCHR have not been taken into account in the design and implementation of the economic adjustment programmes by European and national stakeholders. In his view both institutions need to be further strengthened to fulfil their mandate. In particular the GNCHR needs to be adequate staffing to fulfil its important functions.

## **V. Impact of the economic reform programme on the enjoyment of human rights**

55. The previous mandate-holder has highlighted the impact of austerity measures on the enjoyment of human rights, in particular, the right to work, to social security, to health, to adequate housing as well as the rights of persons living in poverty and social exclusion in his previous report. These concerns raised persist today.

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<sup>28</sup> Statement of the Greek National Commission for Human Rights (GNCHR) on the impact of the continuing austerity measures on human rights, 15 July 2015

## A. Right to work and to favourable condition of work

56. Since the beginning of the crisis an estimated 230,000 small and medium sized enterprises shut down, contributing to more than 600.000 job losses alone.<sup>29</sup> The economic adjustment programmes directly contributed to rising unemployment, by shrinking the size of the public sector by 234.847 employees between 2009 and end of November 2015, a reduction of 26%.<sup>30</sup>

57. Overall about one million jobs have been lost since the beginning of the crisis, resulting in an unprecedented unemployment rate of 27.5% in 2013 which has only dropped slightly to 24.0% during the 3rd quarter of 2015.<sup>31</sup> Unemployment of women has remained 6.5% higher than men, and youth unemployment (age 15-24) remains with 48.8% at unacceptable proportions undermining the prospects of an entire generation. Job seekers have to accept increasingly part-time or unstable work. The number of persons who have never worked reached 23.6% of all unemployed and 73.7% of all unemployed are in the meantime long-term unemployed. No significant reduction of unemployment is forecast for 2016-2017.

58. The Independent Expert remains concerned that the reduced level of the minimum wage, as required by the Second Economic Adjustment Programme, in particular its reduction of 32% for young workers, is not sufficient to provide workers and their families with decent living and violates article 7 a ii of the International Covenant on Economic and Social and Cultural Rights. Similarly he is concerned that the new legal framework on collective bargaining, introduced as part of the economic reform programme, may put employees in a disadvantaged position in the determination of wages and working conditions by direct negotiation.

59. The Independent Expert welcomes efforts by the Government targeting young unemployed persons and assisting businesses in dynamic sectors of the economy to provide guaranteed employment implemented with funding by the European Union. Given the number of unemployed in the view of the Independent Expert a more comprehensive job creation programme reaching more beneficiaries is urgently needed.

## B. Right to social security and poverty

60. Of particular concern to the Independent Expert are the drastic cuts in social security benefits including restrictive entitlements implemented as part of the austerity measures. Current coverage and level of social security and social welfare benefits is inadequate to ensure a decent living for many rights holders and not in line with the right to social security. For example, only about 10% of all registered unemployed are actually receiving unemployment benefits.

61. The Independent Expert is concerned that 3.88 million people in Greece (36.0% of the population) are at risk of poverty or social exclusion as indicated by the 2014 Survey on

<sup>29</sup> GSEVEE Assessment on macroeconomic performance of Greece and Impact on SMEs, submitted to the Independent Expert.

<sup>30</sup> See European Parliament, Country study Greece, page 83 and <http://greece.greekreporter.com/2015/12/31/234857-employees-leave-the-public-sector-due-to-economic-crisis/>

<sup>31</sup> The Independent Expert would like to thank the Ministry of Labour, Social Security and Social Solidarity for a detailed submission of most recent information on the Labour Market based on Eurostat and Hellenic Statistical authority data on which the following information is based.

Income and Living Conditions.<sup>32</sup> This is the highest rate in the Eurozone. Even more worrying is that 71.5% of foreign nationals from non-EU countries, aged 18-64 and living in Greece, are at risk of poverty or social exclusion.

62. In 2014 an estimated number of 2.38 million individuals were at risk of income poverty – that means that they have to live from less than 12.63 EUR per day (if living alone) or survive on less than 6.62 EUR per day and person (for a household composed of 2 adults and 2 children below 14 years of age). Persons with foreign nationality residing in Greece (48.0%), the unemployed (45.9%), persons living in households with three or more children (32.4%), and single parent households with dependent children (27.8%) are at particular risk. According to gender segregated data, risk of poverty for women is significant higher for all above mentioned categories, including at general population level.

63. 1.13 million people in Greece can be considered as extreme poor, meaning that they have less than 40% of the median average income at their disposal. Put bluntly, they have to survive on less than 8.42 EUR per day (for a single household) or on less than 4.42 EUR per day and person for a family household with 2 adults and 2 children.

64. It should be further noted that EU wide surveys on Income and Living Conditions are based on household interviews and therefore tend to under-sample social groups at particular risk of poverty or social exclusion, such as homeless people, Roma, and exclude persons living in camps or institutions, among them many refugees and asylum-seekers. They rather underestimate the current humanitarian and human rights crisis in Greece. Disaggregated data on the social situation of particular groups at risk of vulnerability, such as homeless, Roma, irregular migrants or persons with disabilities is missing or not collected regularly, despite repeated requests of UN human rights treaty bodies to provide such data.

65. The number of persons that are considered severely materially deprived, meaning that they cannot afford four or more items on a 9 point scale measuring deprivation has nearly doubled, from 11.6% in 2010 reaching 21.5% in 2014. This rate is significant above the Eurozone average of 7.3% and currently far above other Southern European countries that underwent adjustment policies, like Portugal (10.5%) or Spain (7.1%).

66. In the view of the Independent Expert the country needs a reform of the existing system into a modern social welfare system that is just, efficient, sufficiently funded, targeted to those in need, and protecting core social, economic and cultural rights in a comprehensive and non-discriminatory manner. It is essential to roll-out the guaranteed-minimum income scheme that will provide a means-tested support for the poor as quickly as reasonably possible. Greece needs a social welfare system which assists and encourages taking up employment as soon as it becomes available. However, under current economic conditions, coverage of benefits for the unemployed needs to be expanded, to ensure that the unemployed receive benefits for up to 24 months. Furthermore, the extremely limited tax funded unemployment schemes need to be enlarged, in order to support more unemployed workers in low-income households. In this context it would also be essential to increase support to affected individuals through the European Social Fund (ESF). The aim should be a reliable and responsive social welfare net that ensures that persons who are either unable to find jobs or physically unable to work can enjoy a life in dignity.

67. There has been intense pressure on the Government to make further cut backs in pensions. In the view of the Independent Expert there is the need to reform the pension system based on the principle of inter-generational solidarity to make it financially

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<sup>32</sup> Hellenic Statistical Authority, Risk of Poverty, 2014 Survey on Income and Living Conditions, 8 July 2015.

sustainable and to prevent old age poverty. In this context the Independent Expert would like to point out that the current official poverty threshold of 12.63 EUR per day or 384 EUR per month for a single person is in his view already at the margins of what can be considered as a minimal threshold ensuring a life in dignity. It should be considered as a red line that should not be further reduced, if there is no evidence that actual cost of living have fallen significantly.

### **C. Right to food, housing and health care**

68. There is a close link between income poverty and denial of social and economic rights. For example, only few Greek people (3.1%) above the official poverty threshold claim that they cannot afford a meal with meat, chicken, fish (or equivalent vegetarian food) every second day. But nearly half of those below the official poverty threshold (47.5%) say so.

69. The number of people who live in households that cannot keep their home adequately warm doubled since 2010 from 15.4% to 32.9% in 2014. In addition, 43.1 of all poor households report to live in overcrowded homes.

70. The Independent Expert welcomes that during the negotiations with the institutions in November 2015, the Greek Government stressed the need to provide better protection for the first residence home owners with low incomes from foreclosure. However, the state of the housing market needs to be monitored closely, not only in terms of affordability of housing, but also in terms of availability of housing units for low income households. Greece has currently the highest rate of housing cost overburden in the European Union with increased steeply from 18.1% (2010) to 40.7% (2014). This means that Greek people spent more of their disposable income to cover housing costs, including electricity, heating and water than in any other European country. Of particular concern is that 95% of all individuals below the poverty threshold spend currently more than 40% of their total disposable income on housing, leaving limited funds to them for the purchase other essential goods and services. Greek society cannot afford to be pushed into a situation where the right to adequate and affordable housing becomes a luxury for the few.

71. There is a high risk of foreclosures and further increase of homelessness as the number of households that have areas in mortgages, paying rent or utility bills increased during the crisis further from 30.9% (2010) to 46.4% (2014). In particular poor households have areas (73.6%), underlining the need for targeted debt relief for over-indebted poor households who will not be able to serve their mortgages or loans, or are unable to cover unpaid social contributions and their tax debts. Of particular concern to the Independent Expert are also impoverished individuals who cannot access social welfare or security benefits because they are in areas with tax authorities or public social security funds.

72. The Independent Expert is also concerned about the lack of official information in the number of persons who are homeless. He recommends to increase the supply of social housing units and to provide appropriate forms of financial support, such as rental subsidies for low-income households, homeless persons and Roma.

73. Unprecedented cuts to the public health system have resulted in a critical understaffing in parts of the public health system, increase in co-payments, waiting lists and difficulties to provide effective and affordable access to the right to adequate health care for all. An estimated number of up to 2.5 million people have no health insurance, as public

health insurance is largely linked to employment status.<sup>33</sup> The number of persons reporting that they have postponed a medical examination as health care was “too expensive” increased overall between 2010 and 2013 by 85%. In 2013, 13.9% of persons belonging to the lowest income quintile reported that they postponed a necessary medical examination as it would have been “too expensive” (up from 7.8% in 2010).<sup>34</sup> Suicide rates in Greece and mental disorders have significantly increased as a consequence of the financial crises while mental health care has been affected by severe cuts.

74. Refugees, asylum seekers and undocumented migrants continue to encounter difficulties in gaining access to health care facilities, goods services and information. The ability of the Greek health system to provide adequate health care to refugees upon entry is severely stretched. Civil society initiatives are trying to fill the gaps in public services by looking after a growing number of people within Greece that cannot afford medical services or medication. The Independent Expert welcomes in this context the decision to allocate additional funds for public health care in the 2016 budget, but doubts that the limited increase of funds is sufficient to restore respect for the right to health within Greece. He welcomes that a new Law (4368/2016) was enacted on 20 February 2016 aimed at providing universal health coverage, free access to the Public Health System and easier access to medical care, treatment and hospitalization. The law shall improve access to health care for uninsured individuals and their family members, pregnant women, chronically ill, disabled, minors and other vulnerable groups.

## V. Conclusions and recommendations

75. **The Independent Expert acknowledges efforts undertaken by the Government and international lenders in attempting to redress the country’s economic standing and bring it out of insolvency. However, the Independent Expert notes with concern that the obligations of the Greek Government and international lenders towards rights-holders within the country continue to be side-lined, both in the design and implementation of the structural reform programmes. He regrets that to date, no comprehensive ex-ante human rights impact assessments of the three economic reform programmes have been carried out.**

76. **Social and economic rights have been denied in a widespread manner. More than one million persons in Greece have fallen below income levels indicating extreme poverty.<sup>35</sup> In his view, these individuals are ultimately denied in one or the other form the enjoyment of core essential minim levels of social, economic and cultural rights that States have to protect in all circumstances. The pervasiveness of extreme poverty in Greece is far from isolated, taken into consideration that currently one out of ten persons (or 10.4% of the population), is living under such conditions.**

77. **The austerity measures implemented since 2010 contributed significantly to this outcome. The adverse human rights impacts are not the product of an “invisible hand” for which neither States, nor international, public and private financial**

<sup>33</sup> World Health Organization, *Barriers and facilitating factors in access to health care services in Greece*, Copenhagen, WHO Regional Office for Europe, 2015.

<sup>34</sup> Eurostat, self-reported unmet needs for medical examination. EU average for the lowest income quintile is 4.9%.

<sup>35</sup> The indicator of having less than 40% of the Median equalised disposable income available may at current consumer prices within Greece mark extreme poverty. It means that an adult living alone has after all social transfers less than 8.41 EUR at her or his disposal per day for housing, food, clothing, hygiene, transport, health care etc...

institutions within and outside of Greece bear no responsibility. First, it should be noted that irresponsible borrowing and lending contributed significantly to the financial crisis in Greece. Second, excessive austerity measures did not only significantly deepened the economic crisis, but prescribed as well cutting down social protection and public health expenditures undermining the rights to social security and health. Finally, insufficient priority was given to address well-known gaps in the social security system of Greece. Instead of addressing these gaps first, drastic economic reforms with dubious prospects in terms of growth were implemented at the expense of human rights.

78. The current financial assistance programme acknowledges the immense sacrifices the Greek society have made, but ignores that the Government of Greece is currently partially unable to secure to a large number of individuals within its territory the enjoyment of essential economic and social rights. This intolerable situation is not primarily caused by a lack of political will of the current Government to curb violations of economic and social rights within Greece, but compounded by the limited fiscal space at disposal to bring the situation in conformity with international human rights obligations. In particular the imposition of further cuts on social welfare of 0.5 GDP as part of the conditionality of the current adjustment programme is highly questionable and should be reconsidered in a context where extreme poverty is rampant and where insufficient sized and inadequately targeted social welfare benefits contribute only marginal to a reduction of poverty, leaving in particular long time-unemployed and foreign nationals from non EU-countries living in Greece in a state of destitution.

79. Unemployment and poverty should not only be addressed through social policy measures. Very small and middle sized businesses make up the largest majority of the Greek economy. Their lack of access to credit and a huge stock of non-performing loans have resulted in a situation inhibiting investment, creation of employment and economic growth. Yet, in Greece, the chances of overcoming the recession through a revival of private investment seem to be minimal. The widespread hope that private investment could be the primary engine to growth and development might prove to be illusive, given that capacity utilization is at historical low levels; the income expectations of the majority of the citizens are extremely depressed and there still is uncertainty about whether the recession will be overcome. The only way to give a positive impulse to an economy stuck in deflation and depression is by enabling the government to launch a robust investment initiative. To finance this initiative public debt should be restructured in a way that would create the policy space for the Government to launch projects to improve the situation of the poor and the unemployed.

80. Greece has a challenging structural reform agenda: improving the social security system; ensuring access to health care for all; professionalizing the public administration; introducing a more progressive tax system - in particular by reducing tax evasion and unjustifiable tax exemptions for certain privileged groups; boosting the economy; reducing inequality; and repaying a considerable amount of debt. It is hard to believe that such far-reaching reforms can be implemented effectively if the Greek peoples' views are not seriously taken into consideration when defining the objectives, scope, sequence and pace of these reforms and if they appear to be imposed by lenders with the sole goal of repayment. National ownership of these reforms can only be ensured through public consultation, social dialogue and if the structural reforms are implemented with full respect to democratic participation and human rights.

**A. Recommendations to the Government of Greece and its international lenders**

81. The Independent Expert wishes to draw attention to the recommendations made by the previous mandate holder, that are still relevant and have mostly not been implemented (A/HRC/25/50/Add.1, para 93-93), and recent recommendations of the Committee on Social, Economic and Cultural Rights (E/C.12/GRC/CO/2). In addition, he recommends to:

82. Carry out a comprehensive Human Rights Impact Assessment of the structural adjustment programme in cooperation with all relevant stakeholders, including the institutions, the Greek National Commission for Human Rights, the Ombudsman, and civil society. The Human Rights Impact Assessment should include at a minimum an evaluation of past failures to protect economic, social and cultural rights of the Greek population and *ex-ante* forecasts of the social and human rights impacts or particular adjustment measures;

83. Review economic reform policies and adjustment measures agreed between Greece and the institutions to ensure that they do not undermine the progressive realization of economic, social and cultural rights, giving priority to safeguard the enjoyment of minimum essential levels of economic and social rights by all individuals in situation of vulnerability within Greece;

84. Postpone reductions of social welfare expenditure foreseen in the latest Memorandum of Understanding until post-crisis economic recovery and a reduction of unemployment, poverty and severe material deprivation would likely enable implementation of such cost saving measures without undermining the enjoyment of core social, economic and cultural rights;

85. Enlarge extremely limited tax funded schemes to support more unemployed workers in low-income households, including by increased support to affected individuals through the European Social Fund (ESF);

**B Recommendations to the Government of Greece**

86. Implement the structural adjustment programme outlined in the Memorandum of Understanding with due respect for human rights, taking fully into account judgements and decisions by national and international courts and human rights bodies and recommendations by the Greek National Commission for Human Rights as well by European and international human rights bodies;

87. Ensure national ownership of reform measures through public consultation, social dialogue and by implementing structural reforms with full respect to the right to participation;

88. Reform the existing system of social security into a modern social welfare system that is just, efficient, sufficiently funded, targeted to those in need, and protecting core social, economic and cultural rights in a comprehensive and non-discriminatory manner as set out in the ILO Social Protection Floors Recommendation 2012 (No. 202);

89. Reform the pension system on the principle of inter-generational solidarity with a view to make it financially sustainable and to ensure protection of older persons from poverty. In this regard, the Government should consider introducing a tax funded basic pension ensuring for all older persons above minimum income levels that will be topped by a contribution related proportional pension;

90. Urgently close gaps in the social welfare net by redirecting benefits to individuals belonging to most disadvantaged and marginalised groups who are currently inadequately covered. If necessary, temporary increase of social welfare expenditure to ensure sufficient levels and reach of benefits to guarantee income security for all individuals, including access to essential goods and services meeting the criteria of availability, accessibility, acceptability and quality. In this context the Government should roll-out as quickly as reasonable possible a nationwide means-tested Guaranteed-Minimum-Income scheme;
91. Expand the coverage of unemployment benefits by ensuring that the unemployed receive benefits for up to 24 months;
92. Introduce a means-tested housing benefit, for all low-income households struggling to meet housing costs;
93. Protect low-income households unable to serve their mortgages from foreclosures and expand programmes combatting homelessness;
94. Make a basic package of health care services, including out-patient services, hospitalization and medicines available to all, irrespective of social insurance affiliation, at zero or near-zero cost as envisaged by most recent legislation (Law 4368/2016);
95. Ensure that over-indebted persons, including persons with debt to tax authorities or social security funds are not excluded from receiving essential social security benefits;
96. Strengthen access to justice of persons in situation of vulnerability including through making legal aid more broadly accessible for persons that do not have sufficient means;
97. Ensure that the Greek Ombudsman continues to receive sufficient funds and increase resources and staffing of the Greek National Commission on Human Rights;
98. Continue the inquiry into the origins of the debt crisis, drawing on the work initiated by the former Truth Committee on Public Debt with the aim to establish better judicial and administrative accountability of Government officials and decision makers in the private sector.
99. Consider endorsing the United Nations “Basic Principles on Sovereign Debt Restructuring Processes” and the UNCTAD “Principles on Sovereign Lending and Borrowing”;
100. Consider ratifying the Optional Protocol to the Covenant on Economic, Social and Cultural Rights.

### **C. Recommendations to international lenders**

101. Provide debt relief to Greece with the view to boost social inclusive growth through an investment package and by assisting Greece closing gaps in its social security net;
102. Develop guidelines for comprehensive human rights and social impact assessments of adjustment programmes funded or co-funded by the European Commission, ESM, ECB or IMF and include estimates of required resources for social protection and investment in debt sustainability assessments;
103. Ensure policy coherence among financial, social and human rights policies of the European Union in response to the financial crisis. Include the reduction of

**unemployment, poverty and affordability and accessibility of public health care services as measurable targets in the ongoing adjustment programme and monitor progress received regularly;**

**104. Further increase support under European Union programmes to Greece, including in particular funds for combatting poverty and social exclusion and for social and labour market measures within Greece;**

**105. Relax budgetary restrictions for Greece to enable the country to strengthen its response to the refugee crisis in a manner reflecting best practices and standards in the field of human rights and refugee law;**

**106. Support Greece by providing human, technical and financial resources to ensure appropriate health care, food and housing for refugees.**

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