Escalating debt burden in Africa and its human rights implications:
An African civil society perspective

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ABSTRACT

Over the years, debt burden has been an issue in Africa. The ballooning debt and its servicing obligations have brought about negative implications on human rights, increased political conflicts and limited the power or ability of civil society to influence policymaking due to the often-introduced austerity measures. Government debt places a huge burden on taxpayers, who ultimately are liable for paying back the money. The concept of paying tax to achieve better public services is defeated when taxes are largely channeled towards servicing loans. At the same time, governments may be forced to cut expenditure on vital services, resulting in a double hit for citizens thus compromising human right elements such as provision of basic needs. The effect of such prevailing situation has been the limitation of African economies from achieving the 2030 Sustainable Development Goals agenda as resources are directed towards debt servicing rather than development and growth, hence the need for debt cancellation and forgiveness. A more rounded discussion of debt management therefore needs to consider a broader range of issues including human rights, development, corruption and illicit financial flows. While debt forgiveness appears to be an obvious solution, it carries with it both positive and negative impacts, hence the call to address the root causes of debt accumulation such as corruption and poor governance, as these are crucial for long-term stability and development in Africa. This paper calls for the maximization of the benefits of debt forgiveness, it is essential to ensure transparent and accountable governance, promote responsible borrowing and lending practices, and consider the specific needs and circumstances of each country on a case by case basis.

Keywords: Debt Burden, Debt forgiveness, Human Rights, Civil Society

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ABBREVIATIONS

HIPC	Heavily Indebted Poor Countries
MDRI	Multilateral Debt Relief Initiative
AFDF	African Development Fund
ICESCR	International Covenant on Social and Cultural Rights
UNDP	United Nations Development Program
DSSI	Debt Service Suspension Initiative
IMF	International Monetary Fund
IPC	International Poverty Center

1.0.SECTION ONE

1.1.INTRODUCTION

Debt levels in Africa have been rising over the years, and given the pandemic disruptions in Africa, leading to a high external debt service of more than $87 billion in 2021 and is estimated to reach $598 billion by 2025.[6] Countries in debt distress or facing a high risk of debt distress are mostly in Sub-Saharan Africa; Sudan, Somalia, Ghana and Zambia. According to new data released by the World Bank, African countries classified as carrying a high risk of external debt distress included Kenya ($18.3 billion), Ethiopia ($11.8 billion) and Cameroon ($9.4 billion).[7] Many African countries, such as Ethiopia, Mozambique, the Republic of Congo and Tunisia, were at high risk of default. Mozambique and South Sudan had already been cited in 2021 to be in external debt distress by the World Bank. It is against this backdrop that African governments have frantically been seeking debt rescheduling, forgiveness and treatment under the Heavily Indebted Poor Countries (HIPC) initiative and the G20 Common Framework. Sudan scored a debt forgiveness arrangement with the Paris Club, which agreed to cancel $14.1 billion in debt owed. Before the debt forgiveness, South Sudan had spent more on debt repayments than on education, health and social protection combined.[8]

There is an actual human cost behind these seemingly innocuous figures: real people and real lives adversely affected by huge debt servicing, including children who had to stop studying because of the government-imposed school fees they could not afford, families who reside in makeshift shelters because their government could not provide affordable housing; and infants who died because the government lacks adequate programs to address malnutrition and diseases.[9] Hence, this paper examines the human rights costs of mounting debt in Africa, African Civil Society perspectives on ensuring that borrowing/debt delivers on an enabling human rights context- the challenges there in and what needs to be done to address them. It is against these issues that AFRODAD wishes undertake the study that examines the human rights costs of mounting debt in

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[6] https://www.undp.org/sites/g/files/zskgke326/files/publications/HR_Pub_Missinglink.pdf

[7] Karambo T. Africa's Debt Forgiveness Dilemma. *Global Financial Magazine* (2021).

[2] Karambo T. Africa's Debt Forgiveness Dilemma. *Global Financial Magazine* (2021).

[9] Villaroman, Dr Noel. "The need for debt relief: how debt servicing leads to violations of State obligations under the ICESCR." *Human Rights Brief* 17, no. 3 (2010): 2-9. https://digitalcommons.wcl.american.edu/cgi/viewcontent.cgi?article=1126&context=hrbrief

Africa, African CSO perspectives on ensuring that borrowing/debt delivers on an enabling human rights context - the challenges there in and what needs to be done to address them.

The paper is structured as followed; Section 1 provides introduction overview of the thematic area of research; Section 2 provides the Methodology of data collection and usages in the research analysis; Section 3 highlights the overview of Africa's mounting debt amid multiple crisis; Section 4 informs the Human Right Based Approach to Polycrisis in relation to debt distress; and finally, Section 5 expounds on the Policy Recommendations and Conclusions from the study

1.2.Objectives of the Study

The general main objective of the paper is to assess the extend to which an escalating debt burden in Africa has had a negative effect on human Right in the region with an African Civil Society dimension.

However, the specific objective of the paper is;

i. To provide insightful and highly accessible analysis of key sovereign debt issues;
ii. To examines the Human rights costs of mounting debt in Africa using an African CSO perspectives
iii. To contribute significantly to the menu of reform options for the sovereign debt crisis and its implication to human right;
iv. To promote and build capacity among African academics, government officials, and CSOs on debt and human right nexus.

2.0. SECTION TWO

2.1. METHODOLOGY

The paper relies on secondary sources from the World Bank, IMF, African Development Bank of Africa, Jubilee Network, African International Economic Law Network and the United Nations websites, among others. Most data, graphs and tables used in the paper are all from the above. In instances like the political conflicts and unrest, employing the case study approach fits best because it provides a real African example. Through the case study examples, various comparisons are drawn before making general conclusions. Conversely, trends in graphs help interpret and understand the ballooning debt issue of the years and confirm that it is worsening overtime.

3.0.SECTION THREE

3.1.OVERVIEW OF AFRICA'S MOUNTING DEBT AMID MULTIPLE CRISIS

The debt crisis in developing and poor countries is complex, multifaceted and dynamic as opposed to the narrow linear analogy of poor debt management. The argument holds due to the political and social-economic factors in different countries. Whatever approach taken at the global or regional levels must consider sustainable human development and achievement of every human right. However, the model has failed due to its narrow focus to handle the issue since debtor countries mainly struggle to repay their loans before taking more without thinking of long-term measures while putting social contracts ahead of every debt contract in existence.

Africa faces peace and security challenges that have deep historical roots. These include the spread of terrorism and violent extremism, resource-linked and inter-communal conflict, a resurgence of unconstitutional changes of government, and intra-state conflicts such as in Cameroon, Ethiopia, and South Sudan. In at least 15 armed conflicts, including in the Democratic Republic of Congo, Cameroon, Ethiopia, Mozambique, Mali, Burkina Faso and South Sudan, government forces or non-state armed groups have been implicated in abuses against civilians. Across parts of Africa, internally displaced people, refugees, and migrants have been driven from home by armed conflicts, repression, and communal violence. This increased the risk of food insecurity, poverty and the vulnerability of the countries to climate change and economic instability.

About 14.81 percent of countries African countries were classified to be in debt distress as of 28 February 2023. Countries like Chad moved from being in debt distress to high risk whilst Malawi and Zambia changed status from high risk to in debt distress. Out of the 8 countries in debt distress, 4 (50%) are from SADC region (Zimbabwe, Zambia, Malawi & Mozambique) whilst 2 (25%) are from Central Africa (Congo Republic & Sao Tome and Principe), 1 from East Africa (Somalia) and 1 from North Africa (Sudan). There is no country from West Africa which is in debt distress. While debt to GDP ratio in Sub-Sahara Africa is projected to hit at least 67% by 2023 which is above regional convergence criteria which stipulates it below 60%, economic growth is unfortunately projected to slow down from 3.6% in 2022 to 3.1% in 2023, according to the latest Africa's Pulse, the World Bank's April 2023 economic update for Sub-Saharan Africa

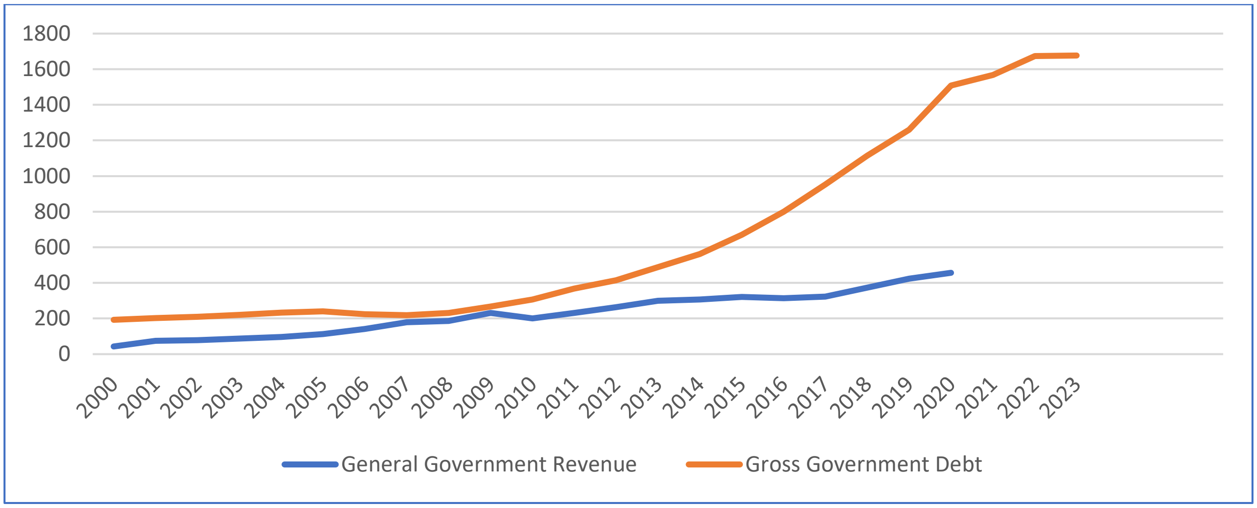
Amid increased poly-crisis in Africa, there have been increased debt restructuring process initiatives including HIPC/MDRI and DSSI. However, the most recent one, G20 Common Framework was incepted to ideally look on to the problem of unsustainable debt levels, insolvency and protracted liquidity problems in the DSSI-eligible countries by providing debt relief consistent with the debtor's capacity to pay and maintain essential spending needs. The case has always been about Africa being in both political and economic crisis. However, the introduction of G-20 Common Framework excluded many Middle-Income Countries who were severely impacted by the Covid-19 pandemic and the Ukraine-Russia war. Chad was the first country to seek debt restructuring under the Common Framework in April 2021. Ethiopia, Zambia and Ghana have since followed suit with the framework implementation being slow

The ballooning debt is no longer at the national or regional levels alone, but it is also felt in households, largely by women and youths. Basic needs currently are unattainable because these vulnerable groups cannot easily access social amenities in education, health and shelter. African governments have channeled the little resources to debt servicing leaving living unimagined gaps in equipping the human capital. Due to debt burden persistence, there are limited resources towards curbing the impacts of climate change, cautioning vulnerable girls from rights violation, providing quality healthcare and education to the public at affordable costs.

3.2.Recent Debt Trends in Africa

Public borrowing is vital for bridging the financing gaps in the African economies given that on average domestic revenue is about 18% of GDP in Africa but for the low income countries the average is about 12% of GDP. There are huge infrastructure bottlenecks in transport, energy, water and housing which needs to be urgently addressed by governments. Figure 2 below shows a yawning gap between government debt and revenue which started around 2009 and continues to widen reflecting challenges that African governments face in domestic resource mobilization. Similarly, government debt has been increasing at a fast rate between 2012 and 2019 which reflect the low interest rate that were experienced during the period which enticed African countries to borrow.

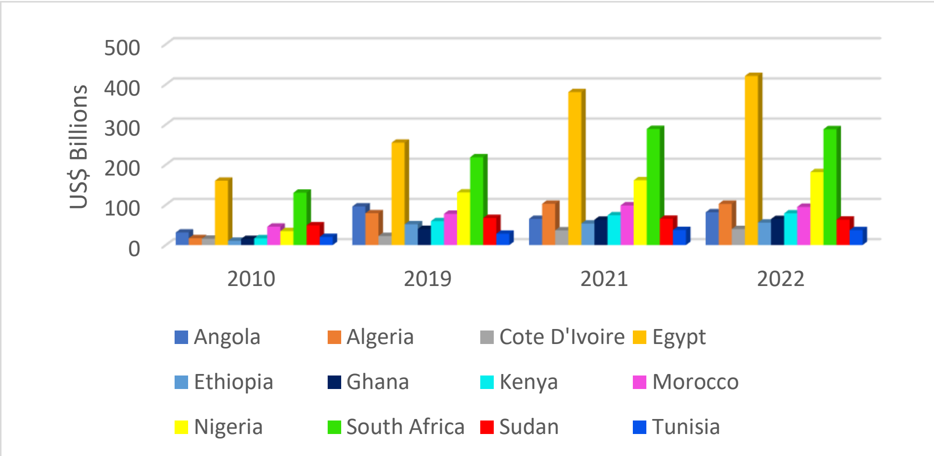
Figure 1: Trends of General Government Debt and Revenue



Source: World Economic Outlook Database (2023)

The majority of loans taken by African government have largely been channeled towards infrastructure and agriculture. Unfortunately, since infrastructure projects take long to be completed, citizens had to bear increase in taxes to service the loans in the medium term. Covid-19 pandemic further worsened the debt situation since most governments had to borrow to save lives and also for secondary effects of the pandemic. The huge requirements for climate financing make it even worse and the global financial markets rate lowly most African countries which makes it expensive to borrow and service private lenders.

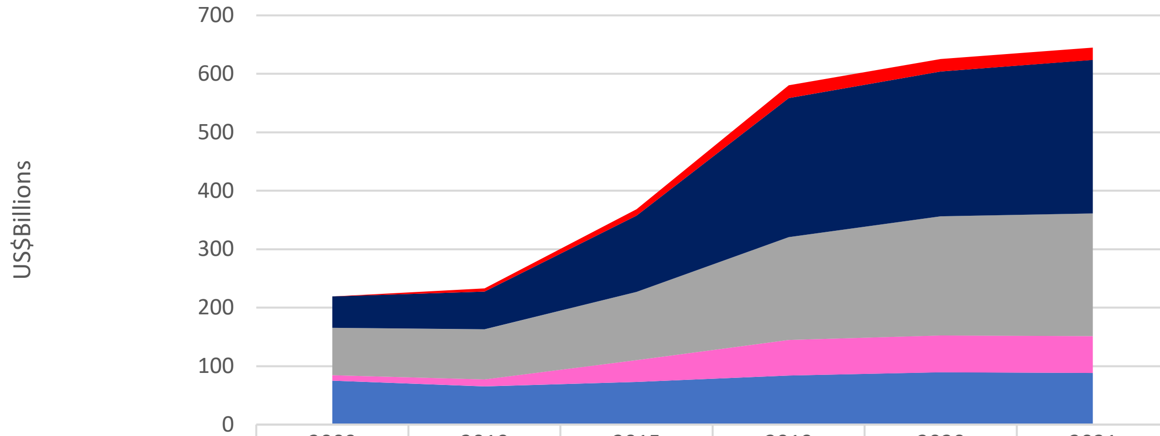
Figure 2: Top African Borrowers in US$ Billions



Source UNCTAD Database

The three largest Africa economies i.e., South Africa, Nigeria, and Egypt accounts for approximately 50 percent of Africa's economy, with Nigeria contributing 18.4 per cent, South Africa 15.9 per cent, and Egypt having a share of about 15.2 per cent of the $2.7 trillion economy. However, Africa's debt is heavily concentrated in the big economies (Egypt, South Africa and Nigeria) which account for more than 50% of the debt and these economies tap onto the international financial markets as a result of their big economies. Figure 3 shows that there was a big jump in public debt since 2010 up to 2019. When Covid-19 came, the debt was already high on the African continent spurred by low interest rate and the rise of new sources of lenders such as the Arab World (Badea), China and BRICS.

Figure 3: Composition of Africa External Debt



	2009	2010	2015	2019	2020	2021
Private: China		5.24	10.57	21.77	21.23	20.9
Private (Excl. China)	53.35	64.47	130.54	237.87	247.92	262.57
Multilateral	81.12	85.74	116.7	175.88	203.53	210.09
Bilateral: China	9.27	11.81	37.38	60.72	63	63.23
Bilateral (Excl. China)	75.42	65.47	72.94	84.08	89.62	88.07

Bilateral (Excl. China) Bilateral: China Multilateral Private (Excl. China) Private: China

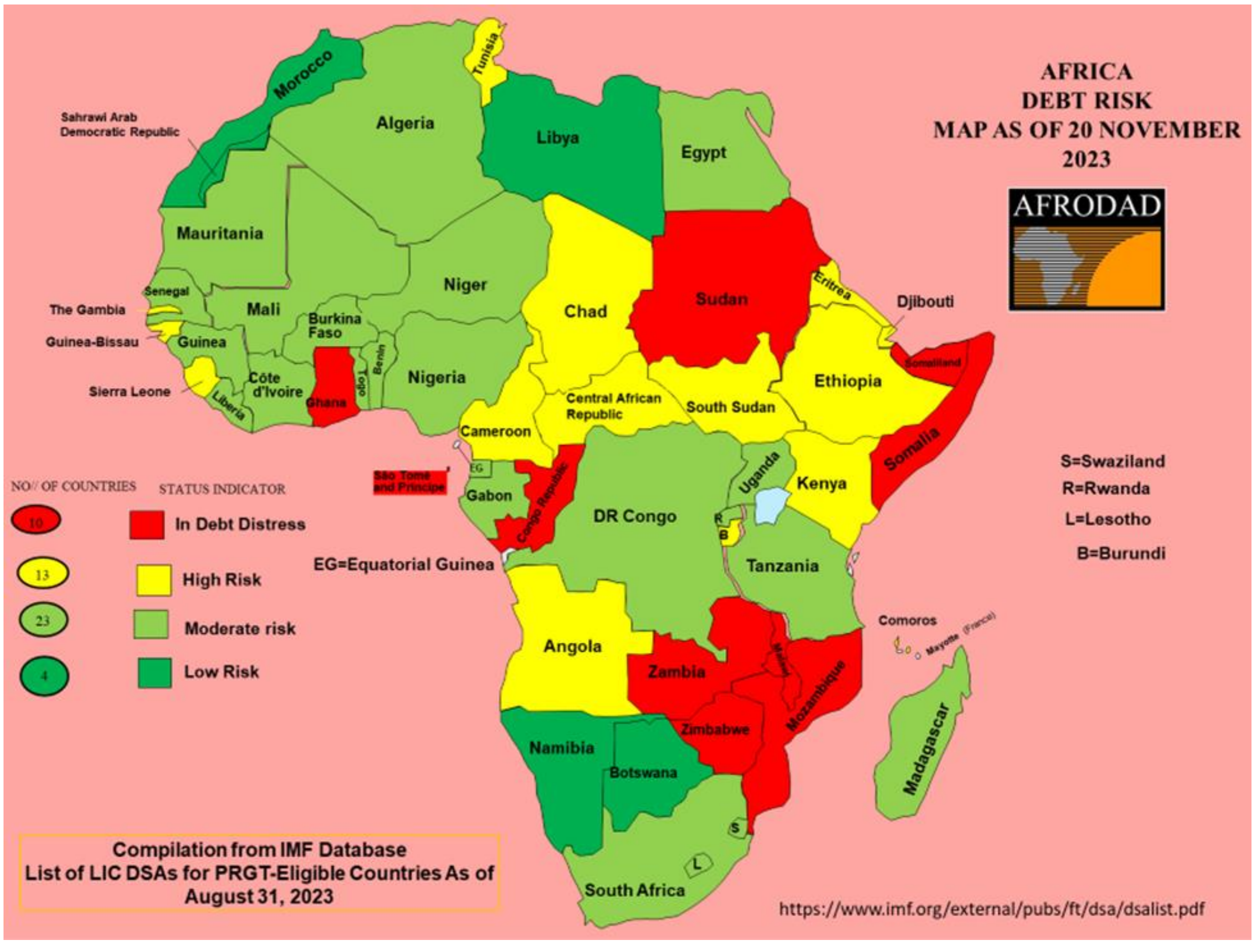
Source: International Debt Statistics Database

The African debt landscape has been changing with China assuming a dominant role in both bilateral official lending and private lending as shown in Figure 4. Private lenders have also increased rapidly as more African countries began to tap on bond markets. Borrowing from official creditors has declined over the years which pushed some countries to borrow from private lenders where interest is very high and other countries engaged in resource backed loans. Official lending is mainly to low-income countries. About 21 countries in Africa are classified as low-income countries and these countries still qualify for concessional loans from multilateral and bilateral creditors.

3.3. Debt to GDP Ratio

Debt-to-GDP ratio is one of the indicators used in assessing debt sustainability of a country although it is a crude measure. For most regional groups such as SADC, ECOWAS, EU; the threshold is set at 60% while for EAC it is set at 50%. The rationale for the threshold is that when a country exceeds such a threshold, the negative effects of debt would dominate leading to choking of the economy. There are exceptions such as Japan where the debt is around 200% of GDP but remains sustainable. In Africa there are 22 countries that are either in debt distress or at high risk of falling into it. All these countries have exceeded the 60% threshold.

Figure 4: Africa Debt Risk Map



The above figure above shows the level of debt risk on the African continent where majority of countries which have defaulted on their debt are in southern Africa while the countries in high risk tend to be concentrated in east and central Africa.

From the African Debt Risk Map above, it can be seen that Sudan, Somaliland, Somalia, Ghana, Sao Tome & Principe, Congo Republic, Zambia, Mozambique, Malawi and Zimbabwe. So many African countries like Cameroon, Angola, Central African Republic, South Sudan, Ethiopia, Chad, Eritrea, Djibouti, Gambia, Guinea-Bissau, Sierra Leone, Tunisia and Kenya.

4.0. SECTION FOUR

4.1. HUMAN RIGHT-BASED APPROACH TO POLYCRISIS

A human rights-based approach constitutes for UNDP a holistic framework methodology with the potential to enrich operational strategies in key focus areas. It adds a missing element to present activities by enhancing the enabling environment for equitable development, and by empowering people to take their own decisions. It brings in legal tools and institutions – laws, the judiciary and the rule of law principle - as a means to secure freedoms and human development. Adopting a human rights-based approach may not necessarily change what we do, but it will raise questions about how we do it. As it provides both a vision of what development should strive to achieve (to secure the freedom, well-being and dignity of all people everywhere), and a set of tools and essential references (human rights standards and principles). It is essentially based on the values, standards and principles captured in the UN Charter, the Universal Declaration of Human Rights and subsequent legally binding human rights conventions/treaties[10]. It further identifies the duties and obligations of those against whom a claim can be brought to ensure that needs are met. The value of a human rights-based approach lies particularly in the transformative potential of human rights to alleviate injustice, inequality and poverty. Human rights are moral norms, standards of accountability and weapons in the struggle for social justice.

The 1948 Universal Declaration of Human Rights (UDHR) and the International Covenant on Economic, Social and Cultural Rights (ICESCR) were recognised as part of the International Bill of Rights and guarantee various rights including the right to adequate food, clothing, and shelter, Article 26 on the right to education, including free and compulsory primary education, and the right to special care and assistance for children. The right to good health, Article 25(1) UDHR, ‘everyone has the right to a standard of living adequate for the health and well-being of himself and his family’. This provision sets out some of the elements of this right: a) food; b) clothing; c) housing; d) medical care; and e) necessary social services. Article 11 ICESCR, everyone has the right to ‘an adequate standard of living for himself and his family’. The Committee on Economic, Social and Cultural Rights has issued several General Comments explaining the components of this right including the right to adequate housing (General Comments 4 and 7), the right to food (General Comment 12), the right to water. The right to employment Article 23(1)(3) of the UDHR,

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[10] https://www.undp.org/sites/g/files/zskgke326/files/publications/HR_Pub_Missinglink.pdf

everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment. Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection[11].

4.2. Debt Ballooning Impinge on Human Right in Africa

High debt levels affect human rights through debt overhang mechanisms such as microeconomic instability, political instability, higher interest rates and capital flight, less investment, higher inflation, lower demand and lower productivity, affecting economic growth. Economic distress generates the condition that makes governments cut social spending, lower the labour standards and limit the right to strike due to the need to attract new investments by lowering the cost of production of enterprises, generating the condition for economic growth.

States Parties to these multilateral international agreements are legally obligated to guarantee access to minimum essential levels of these basic human rights for all. Many of the world's poorest countries spend large portions of their budgets, which could have been spent on social services to benefit their people, on debt service payments to wealthy nations and international financial institutions. The magnitude of the human impact of the debt payments is enormous[12]. By insisting that poor states use their scarce resources for debt service payments, instead of improving access to these basic human rights, the international community arguably becomes an accomplice in the violation of human rights.

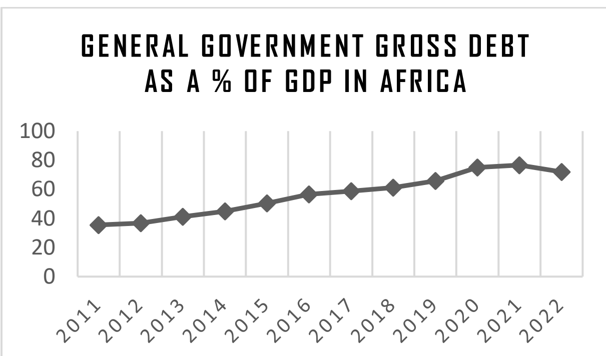
Most poor African countries have vast segments of the population that do not have access to education, basic health services, nutrition, housing, and safe drinking water. African states that fall within this category are in the majority, and they need to satisfy even the minimal essential levels of economic and social rights. These states, the bulk of which include the HIPC countries, must meet their obligations under international law. The World Bank Report expressly concludes that nations' choice of treatment of over-indebtedness implicates the rights to work and fairly pay some of the major risk factors which increase the probability of external debt crises in developing

[11] https://www.un.org/en/about-us/universal-declaration-of-human-rights
[12] United Nations. Impact of Foreign Debt Problem on Social Development Policies Among Issues Addressed at Social Development Commission (1999). https://press.un.org/en/1999/19990217.soc4492.html

countries, including high inflation levels, a relatively large share of short-term debt in external debt, denomination of the debt in foreign currency, decrease of the terms of trade over time, unsustainable total debt service relative to GNI, high-income inequality, and high share of agriculture in GDP. At the same time, holding foreign exchange reserves is a strong protective measure against an external debt crisis[13].

Kenyan government was unable to pay civil servants, including Members of parliament their March 2023 salaries because of financial challenges. Money collected by the Kenya Revenue Authority meant to pay salaries, was instead used to repay government loans that had matured[14]. According to the Famine Early Warning System, Chad in 2022 had rising prices and fuel shortages increased food insecurity. In July 2022, approximately 2.1 million people in Chad were food and nutritionally[15].

Fig 5: General Government Debt as a % of GDP



Source: International Monetary Fund (2023)

The graph above clearly show the public debt trend in different regions as a % of GDP over the years and how the debt situation in Africa has worsened over time.

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[13] Magomedova, Medeya. "Determinants of External-Debt Crises. A Probit Model." *A Probit Model (September 25, 2017)* (2017). https://www.researchgate.net/profile/Medeya-Magomedova/project/The-relationship-between-external-debt-and-economic-growth/attachment/59d645894cde265f5d7730f9/AS:546123311435264@1507214729285/download/A+seminar+paper+DEIS+Magomedova+Medeya+Research+methods.pdf

[14] https://www.afronomicslaw.org/category/african-sovereign-debt-justice-network-afsdjn/seventy-seventh-sovereign-debt-news-update

[15] Amnesty International, Chad 2022 retracted from https://www.amnesty.org/en/location/africa/west-and-central-africa/chad/report-chad/

4.3. The Role of Debt Restructuring in lessening the Human Rights Impact on Heavy Debt Burdens

Debt forgiveness is a process through which creditors reduce a borrower's outstanding balance on a loan account partially or entirely. Borrowers can negotiate with creditors or file bankruptcy to reduce their debt obligation. Also, one might have to qualify for a certain program to be eligible for debt cancellation[16]. Towards the end of the 20th century, numerous organisations proposed a debt forgiveness policy as a radical solution to the foreign debt crises in developing countries Today, economists are seriously engaged in analysing the impact of debt forgiveness on the economic growth of poor countries.[17] The severe impacts of oil shocks on economic growth and increased creditors' interest rates in response to the ever-rising inflation rates in the 1980s contributed significantly to the African debt crises. Due to increased economic stretch, the IMF and World Bank came together in the early 1990s to develop a debt-shrinking initiative for low-income countries. In response, the Highly Indebted Poor Country (HIPC) Initiative was launched in 1996 to curb the debt burden in poor countries; around 44% of the funding would be from the IMF and multilateral institutions, while other bilateral creditors contribute the rest.[18] In revamping the initiative towards attaining the United Nations' Sustainable Development Goals, HIPC was further supplemented by the Multilateral Debt Relief Initiative (MDRI) in 2006. MDRI supported countries that have completed the HIPC Initiative to receive 100% relief on their debts by the IMF, W.B., and the African Development Fund. While 40 countries are eligible for HIPC and MDR Initiatives, 37 are receiving full debt relief; however, 33 of them are African countries.[19] As of the end of March 2011, 26 African countries that had completed and qualified for irrevocable HIPC debt relief assistance had US$ 10.1 billion of their debt cancelled under MDRI.

Generally, the traditional meeting of G8 finance ministers before the summit took place in London in 2005, hosted by then Chancellor Gordon Brown. An agreement was reached to write off the

[16] https://www.wallstreetmojo.com/debt-forgiveness/
[17] Cipollina, Maria. "The developing countries' foreign debt in the last twenty years." *QA-Rivista dell'Associazione Rossi-Doria* 3 (2007). https://ideas.repec.org/a/rar/journl/0060.html
[18]https://www.imf.org/en/About/Factsheets/Sheets/2023/Debt-relief-under-the-heavily-indebted-poor-countries-initiative-HIPC
[19] https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/debt-relief-initiatives

entire US$40 billion debt owed by 18 HIPC to the World Bank, the IMF and the AFDF.[20] The annual savings in debt payments amounted to just over US$1 billion. The ministers stated that twenty more countries, with an additional US$15 billion in debt, were eligible for debt relief if they met targets on fighting corruption and continued to fulfil structural adjustment conditionalities that eliminate impediments to investment and calls for countries to privatise industries, liberalise their economies, eliminate subsidies, and reduce budgetary expenditures. High debt levels affect human rights through debt overhang mechanisms such as microeconomic instability, political instability, higher interest rates and capital flight, less investment, higher inflation, lower demand and lower productivity, affecting economic growth. Economic distress generates the condition that makes governments cut social spending, lower the labour standards and limit the right to protest due to the need to attract new investments by lowering the cost of production of enterprises, generating the condition for economic growth.

The first traces between human rights and external debt appeared in 1999. The 37 impoverished countries received partial or full cancellation of loans from foreign governments and international financial institutions, such as the IMF and World Bank, under the Heavily Indebted Poor Countries (HIPC) Initiative; a further two countries, Eritrea and Sudan, are in the process towards full debt relief. Zimbabwe has unsustainable debt but has not made the reforms necessary to participate in the program.[21] Under the Jubilee 2000 banner, a coalition of groups joined together to demand debt cancellation at the G7 meeting in Cologne, Germany. As a result, finance ministers of the world's wealthiest nations agreed to debt relief on loans owed by qualifying countries.

A 2004 World Bank/IMF study found that in countries receiving debt relief, poverty reduction initiatives doubled between 1999 and 2004. Tanzania used savings to eliminate school fees, hire more teachers, and build more schools. Burkina Faso drastically reduced the cost of life-saving drugs and increased access to clean water. Uganda more than doubled school enrollment.[22] Debt cancellation for the 18 countries qualifying under this new initiative has also brought impressive

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[20]https://www.worldbank.org/en/topic/debt/brief/hipc

[21] Gamarra Boris, Zeikate Signe, Garron Jaime, and Tsiropoulos Vasileios. Heavily Indebted Poor Countries (HIPC) Initiative and Multilateral Debt Relief Initiative (MDRI) (2019). https://documents1.worldbank.org/curated/en/419661565316083523/pdf/Heavily-Indebted-Poor-Countries-HIPC-Initiative-and-Multilateral-Debt-Relief-Initiative-MDRI-Statistical-Update.pdf

[22] Jubilee USA Network. Debt Relief Works (2006). http://www.jubileeusa.org/jubilee.cgi?path=%2Flearn_more&page=debt_relief_works.html

results on paper. For example, it has been reported that Zambia used savings to significantly increase its investment in health, education, and rural infrastructure.[23]

In May 2020, the Debt Service Suspension Initiative (DSSI) was established by the G20 to cushion the global poorest countries during the COVID-19 pandemic, as pressed by the World Bank and IMF. While 73 countries were eligible, only 48 participated in the program before it expired at the end of December 2021, where $12.9 billion were suspended in debt-service payment for participating countries.[24] However, the Common Framework was endorsed by the G20 and the Paris Club in November 2020 to address poor countries' debt vulnerabilities. The framework was established to replace the DSSI immediately and would cover the eligible 73 countries. Only Chad, Zambia, Ghana, and Ethiopia had applied for the Common Framework, with Zambia making a breakthrough recently to restructure its external debts.[25]

4.4. Impact of Debt Forgiveness on Human Rights

In 2004, when some African countries were relieved of their debt, it benefited most of these countries and reduced the violations of Human rights experienced by citizens during the crisis. According to the World Bank, Tanzania, as one of the 11 countries to complete the then debt relief program, received $3 billion in debt relief. Tanzania has increased funding for poverty reduction by 130% over the last six years. Tanzania focused on savings to increase education spending and eliminate school fees for elementary school education. By 2003, 3.1 million children were back in school. The net enrollment ratio rose from 58.8% in 2000 to 88.5% in 2003. Also, with debt relief savings in 2002 and 2003, Tanzania built 31,825 classrooms, and the number of primary schools increased from 11,608 in 2000 to 12,689 in 2003, a net increase of 1,081 schools.[26]

Burkina Faso focused debt relief savings on fighting Acquired Immunodeficiency Syndrome (AIDs), education and access to safe water. In 2002, money freed from debt service payments went to joint government and civil society initiatives to fight AIDS.[27] Debt relief savings have been used to build 746 schools and 20251 classrooms and put over 110,000 children back in school. Access

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[23] gga.org/rethinking-debt-relief-a-closer-look-at-Zambia-and-beyond/
[24]https://www.worldbank.org/en/topic/debt/brief/covid-19-debt-service-suspension-initiative
[25] https://gga.org/rethinking-debt-relief-a-closer-look-at-zambia-and-beyond/
[26] https://www.jubileeusa.org/jubilee.cgi?path=%2Flearn_more&page=debt_relief_works.html
[27] https://www.imf.org/external/np/pp/eng/2006/041106.pdf

to clean water, an essential ingredient in good health, especially for children, had increased by 26 per cent for families. It means that over one million people now access safe drinking water. Debt relief enabled Mozambique to make strides in combating HIV/AIDS. In 2001, a national plan to fight HIV/AIDS was launched. The programs slowed infection rates and mitigated effects through education, prevention, support and care. In 2002, 24 testing and counselling offices had opened; 50 were operating in 2007. More than 24,000 people were tested in 2002 alone.[28]

Debt service payments in Uganda also dropped from $151 million a year to $88 million. The extra resources were channeled through the Poverty Action Fund, which was overseen by representatives from the government, national nongovernmental organisations, churches, unions and international organisations. The bulk of debt relief in Uganda helped fund universal primary education; the number of young children attending school has increased from 2.3 million at the start of 1997 to 6.5 million by March 1999, more than doubling the enrolment rate to 94%.[29]

In 10 African countries studied by Jubilee Research (U.K.), all of which had started to receive some debt service relief by the end of 2000, it was realised that education spending had risen from only $929 million in 1998, or less than the amount spent on debt service, to $1.3 billion in 2002, more than twice the amount spent on debt service. Health spending had risen from $466 million, or 50% of debt service spending, to $796 million, or one-third more than spending on debt service.[30] Over the same period, there had been no increase in spending on the military.[31] It is against these backdrops that African governments have frantically been seeking debt rescheduling, forgiveness and treatment under the Heavily Indebted Poor Countries (HIPC) initiative and other frameworks. Sudan managed to score a debt forgiveness arrangement with the Paris Club, which agreed in mid-July to cancel $14.1 billion in debt owed by the African country and consented to an “exceptional” consideration under which “no payments are expected from Sudan” until December 2024. Sudan was the 38th country to receive debt forgiveness from the Paris Club. South

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[28] https://www.imf.org/external/np/hipc/2004/033104.pdf

[29] https://www.jubileeusa.org/jubilee.cgi?path=%2Flearn_more&page=debt_relief_works.html

[30] https://csis-website-prod.s3.amazonaws.com/s3fs-public/legacy_files/files/publication/anotes_1096.pdf

[31] World Bank/International Monetary Fund Status of Implementation Report for HIPC, 2004.

Sudan was spending 11 times more on debt repayments than on education, health and social protection combined" prior to the debt forgiveness.

4.5. Civil Society Organization's Perspective on Debt and Human Right

The interconnections between the fields of sovereign debt and human rights have become of greater focus in the more recent years. This was first pronounced in the submission by the UN 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 (UN Independent Expert). The finding from the UN expert explicitly provided an Africa CSOs perspective on the interlock between debt and human right and the state's policy-making ability. From the legal perspective, it is apparent that the human rights approach to sovereign debt first requires defining the underlying link between sovereign finance and human rights[32].

The issue of debt-fund-mismanagement in Africa due to corruption and financial embezzlement has resulted in depriving children, women and old generation the basic needs in Africa. For instance, there is an evidential link between external debt increment and relishing of socio-economic resources of the debtor country. Generally, these resources are diverted to debt servicing which has become more expensive than basic need funding[33]. According to a Report by United Nation, 25 mostly poverty-stricken countries where approximately 70% are from Africa spent a higher proportion of government expenditures on debt services than they did on education, health and social protection combined[34]

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[32] The mandate of the Independent Expert was officially set out by the Commission on Human Rights in Resolution 2000/82, and further extended by the Human Rights Council in Resolution 7/4 (2008)

[33] JP Bohoslavsky & JL Černič 'Placing human rights at the centre of sovereign financing' in Bohoslavsky & Černič (n 36) 3

[34] The United Nations (2021). Many countries spending more on debt than education, health and social protection combined. UN Children Fund Report - Many countries spending more on debt than education, health and social protection combined | UN News

The International Financial Institutions including IMF often insist on austerity measures as part of reforms that African governments must implement to qualify for debt relief[35]. However, these policies devastate the stabilization of the human right including economic, social and cultural rights in the debtor state. At the same time, with external pressure from lenders, some Africa economies put pressure on Africa CSOs to curb their influence on state public policies and actions. Most governments are less respective to advocacy efforts during the debt crisis, thus shrinking CSOs' engagement space and ability to influence policy. However, there is a need for broader discussion on economic, social and cultural rights and debt increase between the state, citizens and CSOs in Africa to finds relevance in the perspective of balancing how debt repayment should not be considered a more urgent need than provision of the basic needs in Africa.

It has also become a norm that for any multilateral and bilateral debt renegotiation and restructuring in Africa, a number of structural adjustment and austerity programmes are introduced that requires fiscal policy adjustments. For instance, the G20 Common Framework was set up to deal with debt beyond DSSI and it allowed countries to restructure its official debt while private creditors are expected to offer debt treatment on similar terms. Four African countries (Chad, Ethiopia, Zambia and Ghana) have so far requested for debt restructuring under the G20 Common Framework; only two countries (Chad and Zambia) have managed to reach an agreement with official creditors. The negotiations take an average of two years and austerity measures are usually part of the programme. Some Africa countries did not apply for the G20 for fear of being downgraded by rating agencies, especially countries that are taping on international financial markets. Generally, human rights are negatively impacted by the introduction of austerity or retrogressive measures on these initiatives, which may decrease or restrict access to essential services such as education, healthcare, judicial systems and employment.

[35] https://www.imf.org/en/News/Articles/2023/03/20/sp032023-abebe-selassie-2023-oxford-csae-conference

5.0. SECTION FIVE

5.1. POLICY RECOMMENDATIONS AND CONSLUSSSION

5.2. Recommendations

Even though there have been some argument against forgiving debt on the basis that it would motivate countries to default on their debts or to borrow more than they can afford deliberately and that it would not prevent a recurrence of the problem.[36] However, it is important to consider the detrimental impact these debt burdens bring upon the debtor countries, which lead to violations of human rights and political conflicts, also making it difficult for civil societies to influence decisions taken. Looking at the positive impact debt forgiveness brought about in the early 2000s; evidently, it is what most African countries need now. This cycle of recurrent debt crisis and its impact can be reduced and eliminated in Africa if African states use the funds saved from debt forgiveness to focus and invest in their economies to enable sustainability and enhance growth and development such as:

- Adopt a Human Rights Based Approach to Debt Management- States should adopt economic policies to respect, protect and fulfil all human rights. They must devote the maximum of their available resource to the progressive realization of economic, social and cultural rights.
- There is need for responsible borrowing and lending as stipulated in the AFRODAD's African Borrowing Charter and the need to strengthened oversight role for Parliaments and MPs. This will provide an avenue for enhanced citizen participation in loan contraction processes, thus increases transparency, accountability, and governance on borrowing, utilisation, and repayment of loans within the Africa economies. At the same time, both borrowers and lenders must take responsibility for the debt crises. New independent and transparent structures are needed to oversee relations between debtors and creditors. Such structures must involve creditors and debtors and must produce ethical, mutually responsible and transparent solutions which satisfy ethical economic efficiency requirements and basic human needs.
- In order to stand out as a world order and a mover in both financial and poly-crisis policy making continent, there is a need for introduction of the African Accountability Mechanism

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[36] Cipollina, Maria. "The developing countries' foreign debt in the last twenty years." *QA-Rivista dell'Associazione Rossi-Doria* 3 (2007). https://ideas.repec.org/a/rar/journl/0060.html

which will promote an African Financial Independence. Thus, a common position on Sovereign Debt including Special Drawing Rights, reform of the global debt architecture should be championed for as advocated in the Harare Declaration 2021: A New Debt Movement to make Africa a Rule Maker not a Rule Taker

- Consider Debt Cancellation- Given that in Africa, the servicing of foreign debt requires four times the number of resources allocated for social development, Creditor governments should urgently consider debt cancellation of the highly indebted countries. Market forces did not guarantee relief for the social development problems of developing countries.
- Increase Civil Society Participation- People are an essential element of an enabling environment as both beneficiaries of and major contributors to social development. An active civil society is essential to advance and safeguard the civil, political, economic, social and cultural rights of all citizens. This means creating an environment where they are not only the beneficiaries but also the major contributors to social development.
- Promote Good Governance- human rights-sensitive good governance should be practiced such as advocacy for legal reforms through raising awareness on national and international framework, and reform institutions. Fighting corruption through accountability and transparency, creating mechanisms of information sharing and monitoring use of public funds is a critical element of an enabling environment. Governments must be accountable to the people, and together, they must bear the primary responsibility to formulate and implement social development policies. Governments should foster and encourage social integration to guarantee that all members of society can contribute to and benefit from social development.
- The G20 Common Framework need to be revamped and made debtor friendly so that Africa countries speedily reach agreements with creditors including private creditors. However, there is a broader need to adopt debt restructuring resolutions promulgated and voted by the United Nations in 2015 which contains nine core principles which took into consideration measures to increase the stability and fairness of the international financial system which has always been blocked by developed economies
- Governments in Africa, together with lending states and international financial institutions, must ensure that the terms of any agreement on debt, including the financial burden of debt servicing, do not compromise states' ability to allocate the necessary financial and other

resources to guarantee economic, social and cultural rights for all their people. This begins with ensuring transparency on the terms and conditions of these loans, as enshrined in the loan contractual agreement so that Africa CSOs and public as a whole can hold governments, both in the region and beyond, to account

5.3. Conclusion

The debt burden defines everything wrong in a country and region, especially when it is marred with accountability and transparency issues. In contrast, the impacts vary in different countries depending on various political and economic factors. In the advocacy work, CSOs should adopt diverse strategies and responses proportionate to the dynamic financial conditions. Conversely, noting that not all countries with high debt stocks experience political conflicts holds because it also arises from other determinants. Effective financial and debt management, good governance and international cooperation are essential in curbing detrimental debt impacts on African political stability.

Debt forgiveness can have positive and negative impacts on human rights, civil society and political conflicts in Africa, depending on various factors such as the conditions of the debt relief, the governance and economic stability of the recipient country, and the broader global economic context. In summary, the impact of debt forgiveness on CSOs in Africa depends on specific conditions and the implementation of debt relief programs. CSOs have an independent role in defining the debt relief outcome through intensified advocacy for transparency, accountability, and responsible resource allocation. While debt relief has the potential to alleviate economic burdens, reduce poverty, and enhance stability, it can also bring about unintended consequences if not managed carefully. In maximising the benefits of debt forgiveness, it is essential to ensure transparent and accountable governance, promote responsible borrowing and lending practices, and consider the specific needs and circumstances of each country.

Additionally, addressing the root causes of debt accumulation, such as corruption and poor governance, is crucial for long-term stability and development in Africa. The impact of debt forgiveness on political conflicts in Africa is complex and multifaceted. While debt relief has the potential to contribute to stability, development, and improved governance, it also carries risks, such as moral hazard and concerns about sovereignty. The impact will depend on how debt relief is implemented, the conditions attached to it, the broader economic and political context, and the governance capacity of the recipient country.