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COMMISSION ON HUMAN RIGHTS Sub-Commission on the Promotion and Protection of Human Rights Fifty-fourth session Agenda item 4

ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Mr. Dos Santos Alves, Mr. Eide, Ms. Hampson, Mr. Kartashkin, Ms. Koufa, Ms. Motoc, Mr. Sattar, Ms. Warzazi, Mr. Weissbrodt and Mr. Yokota: draft resolution

2002/... Human rights, trade and investment

The Sub-Commission on the Promotion and Protection of Human Rights,

Recalling the Vienna Declaration and Programme of Action, in which the World Conference on Human Rights confirmed that the promotion and protection of human rights, in conformity with the Charter of the United Nations, is the first responsibility of Governments and that the human person is the central subject of development,

Recalling also its previous resolutions 1999/8 of 25 August 1999, 1999/29 of 26 August 1999 and 2001/5 of 15 August 2001 on the topic on globalization and its impact on the full enjoyment of human rights, as well as resolutions 1999/59 of 28 April 1999, 2001/32 of 23 April 2001 and 2002/28 of 22 April 2002 of the Commission on Human Rights,

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Recalling further its resolutions 1998/12 of 20 August 1998 on human rights as the primary objective of trade, investment and financial policy, 1998/14 of 20 August 1998 on human rights and income distribution, 1999/30 of 26 August 1999 on trade liberalization and human rights, 2000/7 of 17 August 2000 on intellectual property and human rights, 2001/4 of 15 August 2001 on liberalization of trade in services, and human rights and 2001/21 of 16 August 2001 on intellectual property and human rights,

Noting the discussions held in and the conclusions and recommendations of the first session of the Social Forum,

Concerned that international economic law and human rights law have developed as two parallel and separate regimes, with the risk that human rights principles, instruments and mechanisms will be marginalized as highlighted by the actual or potential human rights implications of World Trade Organization agreements, including the General Agreement on Trade in Services, the Agreement on Trade-Related Aspects of Intellectual Property Rights and the Agreement on Agriculture,

Affirming the fundamental importance of the delivery of basic services, particularly in the areas of health, education and water, as a means of promoting the realization of human rights,

Emphasizing the responsibility of States to ensure the realization of all human rights, including those to which the provision of such basic services is relevant, and the role of States in the process of trade liberalization, not only as negotiators of trade law and makers of trade policy, but also as the primary duty bearers for the implementation of human rights,

Considering that when not carefully regulated, foreign direct investment - as a key element of the globalization process, one of the main modes of delivering trade in services and a central activity of transnational corporations - can have a detrimental effect with regard to the enjoyment of human rights,

Noting that the United Nations High Commissioner for Human Rights, in her report on liberalization of trade in services and human rights (E/CN.4/Sub.2/2002/9), has identified investment as the most problematic mode of trade in services from the perspective of human rights,

Aware that according to the 2001 Doha Declaration members of the World Trade Organization will, at the Fifth Ministerial Conference to be held in September 2003, decide upon the undertaking of negotiations on a multilateral investment framework in the World Trade Organization, 1. *Reaffirms* the importance and relevance of human rights obligations in all areas of governance and development, including international and regional trade, investment, and financial agreements, policies and practices, and renews its request to all Governments and economic policy forums, including the World Trade Organization, the World Bank and the International Monetary Fund, to take international human rights obligations and principles fully into account in international economic policy formulation and implementation;

2. *Reiterates* its declaration that sanctions and negative conditionalities are not appropriate ways of promoting the integration of human rights in international economic policy and practice;

3. *Welcomes* the reports of the United Nations High Commissioner for Human Rights on liberalization of trade in services and human rights (E/CN.4/Sub.2/2002/9) and on globalization and its impact on the full enjoyment of human rights (E/CN.4/2002/54), focusing on the liberalization of agricultural trade and its impact on the realization of the right to development and of the right to food, and requests that they be provided to the World Trade Organization;

4. *Recommends*, through the High Commissioner for Human Rights, that the secretariat of the World Trade Organization and the members of the Council for Trade in Services, when conducting assessments of the General Agreement on Trade in Services and when engaging in services-related capacity-building and technical assistance activities, include consideration of the human rights implications of the international trade in services and take into account the relevant reports of the High Commissioner;

5. *Encourages* the High Commissioner for Human Rights to request observer status with the Council for Trade in Services of the World Trade Organization and, where considered necessary and appropriate, to make submissions in relation to the human rights implications of trade in services negotiations in the World Trade Organization, as well as in other forums;

6. *Recommends*, through the High Commissioner for Human Rights, that the Working Group on Trade and Investment, the Ministerial Conference and other relevant bodies of the World Trade Organization include consideration of the human rights and sustainable development implications of foreign direct investment and international investment frameworks in their decision-making about future work;

7. *Requests* the High Commissioner for Human Rights to submit a report on human rights, trade and investment, including specific attention to the human rights implications of privatization, to the Sub-Commission at its fifty-fifth session;

8. *Encourages* the High Commissioner for Human Rights to hold briefings on human rights approaches to trade liberalization for trade policy makers;

9. *Requests* the High Commissioner for Human Rights to make a comprehensive submission on human rights, trade and investment to the Fifth Ministerial Conference of the World Trade Organization, due to take place in Cancún, Mexico, in September 2003;

10. *Decides* to continue its consideration of this matter under the same agenda item at its fifty-fifth session.

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