Contribution by the Global Initiative for Economic, Social and Cultural Rights (GI-ESCR) to the call for inputs for a Human Rights Council report on the impact of conditionalities by international financial institutions on human rights (Human Rights Council resolution 59/19)

4 September 2026

1. The Global Initiative for Economic, Social and Cultural Rights (GI-ESCR) welcomes the opportunity to contribute to the report of the Office of the High Commissioner for Human Rights on the impact of conditionalities applied by international financial institutions on the enjoyment of human rights, pursuant to Human Rights Council resolution 59/19.
2. This submission focuses on the case of Kenya, drawing from GI-ESCR's 2025 publication titled '[Prioritising People in Fiscal Policy: Challenging Austerity, Reclaiming Public Services and Upholding Human Rights in Kenya]'. It responds to questions 1, 2(a), 2(d), 3, 5, 6(a) and 6(b) of the call for input.
3. The evidence presented relates to the conditionalities attached to the International Monetary Fund (IMF) programmes implemented by Kenya, with particular attention to the 2020-2025 Rapid Credit Facility (RCF), Extended Credit Facility (ECF) and Extended Fund Facility (EFF), as well as the effects of debt servicing and austerity on the financing of public education and health and on public sector workers.

1. Negotiation, Design and Implementation

4. Since July 1975, Kenya has entered into approximately eighteen formal lending arrangements with the IMF, although not all led to disbursement.[1] Kenya's most recent period of engagement began with a Rapid Credit Facility of SDR 542.8 million (approximately USD 739 million), approved in May 2020 to meet urgent financing needs arising from the COVID-19 pandemic.[2] As a condition of that disbursement, the government committed to resume fiscal consolidation once the pandemic eased, including raising revenue as a share of GDP and reducing debt vulnerabilities.[3] These commitments were formalised the following year through a 38-month Extended Credit Facility and Extended Fund Facility arrangement worth SDR 1.655 billion (approximately USD 2.34 billion), approved in April 2021 and later extended to 48 months during its fifth review to allow more time for planned fiscal consolidation reforms.[4]

[1] International Monetary Fund (IMF) (2023*) Kenya: History of Lending Commitments as of November 2013*; see also GI-ESCR (2025) *Prioritising People in Fiscal Policy: Challenging Austerity, Reclaiming Public services and Upholding Human Rights in Kenya* p.13
[2] IMF (2020*) IMF Executive Board Approved a US$ 739 Million Disbursement to Kenya to Address the Impact of the COVID-19 Pandemic,* Press Release No. 20/208.
[3] IMF (2021) *2021 Article IV Consultation; Second Reviews Under the Extended Fund Facility and Under the Arrangement Under the Extended Credit Facility; and Requests for Modifications on Performance Criteria and Structural Conditionality. IMF Country Report No.21/275.*
[4] IMF (2021) *IMF Executive Board Approves US$ 2.34 Billion ECF and EFF Arrangements for Kenya, Press Release No. 21/98*

5. GI-ESCR's research did not identify evidence, within the publicly available record of these arrangements, that human rights considerations were raised during their negotiations or design. On timeline, in March 2025 the IMF and the Kenyan government mutually agreed to terminate the Extended Fund Facility and Extended Credit Facility programmes originally scheduled to be concluded in April 2025, one month ahead of the schedule, citing Kenya's failure to meet agreed conditions on raising revenue, managing public expenditure to promote debt sustainability and addressing revenue leakages in state-owned enterprises.[5] This resulted in the loss of a scheduled USD 850 million disbursement and the cancellation of a planned review, following nationwide protests that disrupted implementation of the tax measures proposed under the Finance Bill 2024.[6]
6. The IMF had earlier granted Kenya access to an 'exceptional access' borrowing level during its sixth review, permitting the country to borrow above normal limits even after its own 'assessment of financial risks' to the Fund had raised debt sustainability concerns, before later reducing this ceiling to a more standard level and shifting to a zero interest Extended Credit Facility arrangement to ease repayment pressure.[7] This sequence indicates a programme design and implementation process driven primarily by fiscal and macroeconomic benchmarks, with no visible human rights impact assessment built into the negotiation record.

2. Policy content and its effects on human rights

2a) Documented evidence of the effects on economic, social and cultural rights of policy conditionalities, particularly those applied since 2020.

7. Kenya's fiscal consolidation commitments linked to IMF financing have translated into measurable reductions in public spending on health and education, alongside a rising tax burden on households.

Regressive tax measures, subsidy removal and the rising cost of living

8. Kenya's tax system is grounded in the constitutional principle that taxation should be shared fairly (Article 201). However, under the Finance Act 2023 and Finance Bill 2024, Kenya introduced a series of regressive tax measures in response to IMF pressure to expand domestic revenue, including a proposed 16% VAT on bread[8] and doubling of VAT on petroleum products and imported raw materials, from 8% to 16%.[9] A mandatory housing levy requiring employers to contribute 1.5% of employees' gross salaries to the National Housing Development Fund was also introduced, despite criticism from Kenyans that it lacked a clear regulation framework and singled out citizens employed in the formal

[5] Muiruri, K. (2025) *'Kenya to forego sh63bn in IMF Funding' Business Daily*, 17 March.
[6] Ibid.
[7] IMF, African Dept (2024) *Kenya: Assessment of Financial Risks to the Fund,* p.3
[8] Liverseed, C. (2025) 'Kenya Finance Bill Protests' The Nonviolence Project University of Wisconsin-Madison, 29 April.
[9] Ibid.

sector.[10] In late 2022, fuel subsidies were withdrawn under IMF lending terms, contributing to a significant rise in fuel prices and the cost of goods and services.[11]

Public sector wage bill constraints

9. Between July 2021 and January 2023, the IMF advised Kenya to reduce its public sector wage bill from 4.0% to 3.6% of GDP, with exemptions nominally granted for priority areas such as health and education.[12] To comply, the government froze KES 82 billion in salary increases for civil servants, a freeze that has persisted since 2021 and was expected to last until 2025, notwithstanding that Kenya's wage bill as a share of GDP was at 4.4% already lower than regional peers such as Ghana (8.7%) and Zambia (9.1%).[13]

Public Services

10. In health the Social Health Insurance Act, 2023, was introduced repealing the National Health Insurance Fund Act 1989 and creating the Social Health Authority (SHA). The new fund required employed Kenyans to contribute 2.75% of their gross salaries while informal sector workers were to be assessed through means testing.[14] However, accurately assessing the financial situation of persons and households in a largely informal economy is extremely difficult. This has led to concerns on the means testing failing to capture real needs, as income alone does not account for factors like family size, chronic illness, or the disparities on the cost of living in certain regions across Kenya.[15] In addition, uncertainty remains over the exact range and scope of benefits that Social Health Insurance Fund (SHIF) will provide.[16]
11. In education, a new higher education funding model was introduced, marking a fundamental shift in how the country financed student to learn in public universities. Previously, the government paid a standard per student subsidy directly to universities, under the Differentiated Unit Cost (DUC). Under the new model, funding is instead channelled to individual students based on a formula model known as means testing.[17] The model was constitutionally challenged and temporarily suspended in October 2024 on the grounds of inadequate public participation.[18] Although the suspension was lifted in

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[10] Muia, W. (2024) *'Kenya housing levy: President Ruto signs controversial law paving way for monthly deductions'* BBC, 19 March.
[11] Musambi, E. and Gitonga, C. (2022*) 'William Ruto: New Kenya president's bold move to scrap subsidies,'* BBC, 15 September.
[12] Action Aid (2023) *Fifty Years of Failure- The IMF, Debt and Austerity in Africa,* p.13. Table 4. See also As stipulated un the IMF loan documents and Article IV Reports policy advice published between July 2021 and January 2023.
[13] Action Aid (2023) Fifty Years of Failure- The IMF, Debt and Austerity in Africa, p.13. Table 4; See also As stipulated in the IMF loan documents and Article IV Reports policy advice published between July 2021 and January 2023.
[14] The Institute of Social Accountability (TISA) (2024) *The Impact of the IMF Fiscal Consolidation Programme in Kenya: An Economic and Human Rights Analysis,* p.36.
[15] Masibo, C. (2024) '*FIDA Kenya and KELIN Kenya Raise Concerns Over Social Health Insurance Fund Implementation,'* The Mount Kenya Times, 19 November.
[16] Baraza, E. (2023) *'The good, bad of social health insurance bill'*, Business Daily, 03 October.
[17] Under this model, universities and TVET institutions no longer receive block funding in the form of capitation. Instead, funding for students is provided through scholarships, loans, and household contributions. Following the introduction of the new model, students access to scholarships and loans to finance their higher education. What this means is that previously, under the DUC, universities received direct support from the government to subsidise education costs with the new funding model, there is no more automatic capitation to institutions, Placement and funding are separated Whereby you can be placed in a public university, but whether you receive financial aid depends on your household means test.
[18] Universities Fund (2025) Court of Appeal Reinstates Higher Education Funding Model.

April 2025 and the model reinstated, critics argue that it has made university education less accessible for many.

12. Services fees for essential government services such as access to national identification cards (IDs) and birth and death certificates, were also increased.[19] The increase in these fees meant that obtaining a national identification card (ID) would no longer be free, with a proposed fee of KES 1,000 and replacement costs rising from KES 100 to KES 2,000, meaning a 1900% increase. Fees for birth and death certificates also rose from KES 50 to KES 200, marking a 300% increase. These changes led to a constitutional challenge in the High Court and a partial revision of the fees for new ID applications.

2d) Evidence on how debt servicing obligations have affected government resource availability for public services, social protection or other areas relevant to the enjoyment of economic, social and cultural rights, particularly since 2020

13. Kenya's debt servicing obligations have grown to consume a rapidly increasing share of public revenue, directly constraining resource availability for public services. Public debt rose from 62% of GDP in FY 2018/19 to 70.8% of GDP by June 2023[20] with a total debt growing from KES 1.9 trillion in 2013 to KES 10.6 trillion by July 2024.[21] In the FY 2023/24 budget 58.8% of government revenue was allocated to debt repayment, up from 56.7% in FY 2019/20,[22] meaning that for every KES 100 collected in revenue in FY 2023/24 approximately KES 58.8 was spent servicing debt, leaving only KES 42.2 for all other government spending.[23]
14. Debt owed specifically to the IMF grew nearly ninefold in under five years, from KES 49.2 billion in June 2019 to KES 421.5 billion by December 2023.[24] Kenya is projected to allocate approximately 0.4% of GDP annually to service this debt, with repayments expected to peak in 2029 due to earlier borrowing arrangements.[25] This obligation persists despite the IMF restructuring Kenya's loan terms, including a reduction on the overall borrowing ceiling from exceptional[26] to a more standard level and a shift toward zero-interest free ECF arrangement to ease repayment pressures.[27]
15. Despite this, the International Development Association (IDA), the World Banks' concessional lending arm, is in fact Kenya's largest external creditor, accounting for 29.9% of external debt as of FY 2022/23, ahead of China (16.4%), the African Development

[19] Kenya Law Reports (2023) Kenya Gazette, Vol. CXXV-241 of 14 November 2023, Gazette Notice No. 15495.
[20] The National Treasury and Economic Planning (2023) Annual Public Debt Management Report for Financial Year 2022/2023, p.16.
[21] Africa Uncensored (2025) Trapped in Debt: Ruto's China Visit Renews Focus on Kenya's Borrowing Binge
[22] The National Treasury and Economic Planning (2023) *Annual Debt Management Report for Financial Year 2022/23*
[23] The Institute of Social Accountability (TISA) (2024) *The Impact of the IMF Fiscal Consolidation Programme in Kenya: An Economic and Human Rights Analysis, p.14.*
[24] The National Treasury And Economic Planning (2023) *Annual Public Debt Management Report for Financial Year 2022/2023*
[25] International Monetary Fund, African Dept (2024) Kenya: Assessment of Financial Risks to the Fund, p.3.
[26] The IMF approved Kenya's access to an exceptional access level during its sixth review allowing Kenya to borrow above their normal standard, even after the review of the country's level of debt under the Assessment of Financial Risks to the Fund.
[27] International Monetary Fund (IMF) (2024) 'IMF Executive Board Concludes the Seventh and Eighth Reviews Under the Extended Fund Facility and Extended Credit Facility and Review Under the Resilience and Sustainability Facility Arrangement with Kenya,' 30 October [Press Release] 30 October 2024

Bank/Africa Development Fund (9.7%) and the IMF (6.2%). The World Bank Group as whole, had invested over USD 8.89 billion as of March 2025 across the energy, agriculture, education and health sectors.[28] The remainder of Kenya's external debt is spread across a smaller number of other multilateral and bilateral creditors, including the Trade and Development Bank (4.0%), other bilateral lenders (3.1%), other commercial creditors (2.9%), the International Bank of Reconstruction (IBRD) (2.8%), France (2.0), Japan (1.9%) and other multilateral institutions (1.4%).[29]

The social cost of austerity: impacts on education and health

16. **Health:** Kenya's health financing continues to fall short of the international benchmarks it has committed to. Under the Abuja Declaration, African Union member states pledged to allocate at least 15% of their national budgets to health, while the World Health Organization recommends health expenditure of 5-6% of GDP.[30] The health budget allocations have remained between KES 200 billion and KES 136 billion over the past 5 years not meeting either of the benchmarks. The consequences of this underfunding are visible in-service delivery. Between 2017 and 2021, the sector lost approximately 45,101 nurses, contributing to increased workloads burnout and high attrition among remaining staff.[31] According to the Kenya National Bureau of Statistics (KNBS) economic survey 2025, the country has 19 physicians per 100,000 and 81,564 registered nurses equivalent to 161 registered nurses per 100,000 people. Both ratios are still below WHO recommendations that advise a minimum of 21.7 doctors and 228 nurses per 100,000 of the population.[32] Furthermore, the Ministry of Health reported in 2023, that only 12 of the 47 counties met the minimum recommended threshold of 23 health workers per 10,000 people leaving a majority of counties with chronic shortages, long wait times and deteriorating quality of care.[33]
17. The government's repeated failure to honour collective bargaining agreements with medical unions, an issue linked to wage bill constraints, led to widescale industrial action in 2024, involving over 4,000 public sector doctors,[34] clinical officers,[35] and more than 3,000 medical interns,[36] forcing public hospitals to scale back services.
18. The introduction of the Social Health Insurance Fund (SHIF) in 2023 has not closed the resulting financing gap: only 38% of Kenyans were registered under national health insurance in FY 2023/24,[37] leaving the majority of the population exposed to catastrophic

[28] World Bank Group in Kenya (Last updated April 2025) *The World Bank in Kenya.*
[29] The National Treasury and Economic Planning (2023).
[30] Abuja Declaration on HIV/AIDs, Tuberculosis and Other Related Infectious Diseases (2001) OAU/SPS/ABUJA/3; African Commission on Human and Peoples' Rights (ACHPR) (2011) *Principles and Guidelines on Economic, Social and Cultural Rights in the African Charter on Human and Peoples' Rights*, para 66 (g); World Health Organisation (2010) *The World Health Report Health Systems Financing: The Path to Universal Coverage*, p.53.
[31] *Action Aid (2021) The Public vs Austerity.*
[32] Masibo, R., Kiarie, H. and Bartilol, P. (n.d) *Human Resources for Health: Gaps and opportunities for strengthening*. See also World Health Organisation (2006) *The World Health Report 2006: Working together for health*. p. 11.
[33] Ministry of health (2023) *'Kenya Health Facility Census'* p. 70.
[34] Siele, M.K.N. (2024) *'Doctors' strike reveals unemployment crisis for Kenyan medics'*, Semafor, 02 April.
[35] Muganda, M. (2024) *'Clinical officers begin strike as crisis in health sector worsens'*, The Standard, 01 June.
[36] Siele, M.K.N. (2024) *'Doctors' strike reveals unemployment crisis for Kenyan medics'*, Semafor, 02 April.
[37] Kenya National Bureau of Statistics (KNBS) (2025) *Popular Version: Economic Survey 2025*.

health costs, while annual out-of-pocket health spending reached approximately KES 150 billion in 2023, exceeding the government's own health budget allocation for that year.[38]

19. **Education:** The public wage freeze of 2017-2021 led to the loss of 51,230 teachers[39] and by 2025, the Teachers Service Commission reported a shortage of approximately 98,281teachers.[40] The current situation undermines the right to quality education as the teacher-to-student ratio remains imbalanced and teachers' pay remain too low, leading to informal cost-shifting practices.[41]
20. Despite Kenya's education budget nominally meeting the international benchmarks set out in the Incheon Declaration on Sustainable Development Goal 4, of 4-6% of GDP or 15-20% of public expenditure,[42] declining budget allocations to the Free Primary Education programme, have shifted the financial burden onto households, with parents increasingly expected to pay school-related costs, such as meals, uniforms, textbooks, firewood, remedial classes, and school trips.[43] For low-income families, these costs are often unaffordable, pushing many children, especially girls, to either drop out or enrol in poor quality low-cost private schools, where flexible fee arrangements can be negotiated directly with school owners.[44]
21. Additionally, the Higher Education Funding Model has sharply increased costs for previously subsidised students making university education less accessible for many. The means testing model also means that students are picking courses they can afford to do and not what they want to actually do because of the costs.[45]
22. **Privatisation:** The shrinking role of the state in financing these services has accelerated privatisation trends in the health and education sectors. The 2025 Kenya National Bureau of Statistics Economic Survey report found that 56% of Kenya's operational hospitals are now private, including faith-base and non-governmental facilities, against 44% public hospitals. [46] In education, 33% of schools registered nationally in 2024 were private, a trend most acute in informal settlements,[47] GI-ESCR's own 2023 research in Mathare, Nairobi's second largest informal settlement, found that only 6% of the 185 primary schools mapped were public, with the remaining 94% being private.[48]

Human rights implications

23. These trends carry direct human rights implications. International and regional human rights instruments ratified by Kenya, including the International Covenant on Economic,

[38] International Commission of Jurists (ICJ) Kenyan Section (2025*) Soaring Healthcare Costs in Kenya Hinder Access to Vital Services.*
[39] Action Aid (2021) *The Public vs Austerity*.
[40] Thiong'o, J. (2025) *'Looming crisis as TSC facing a shortage of 98,281 teachers,'* The Standard.
[41] GI-ESCR (2025) *Prioritising People in Fiscal Policy: Challenging Austerity, Reclaiming Public Services and Upholding Human Rights in Kenya.*
[42] *Incheon Declaration and Framework for Action for the Implementation of Sustainable Development Goal 4* (2016) ED-2016/WS/28, para 105.
[43] GI-ESCR (2024) *Build us More Schools! The Quest for Quality Free Education in Mabatini and Ngei Wards of Mathare, Nairobi.*
[44] Ibid.
[45] GI-ESCR (2025) Prioritising People in Fiscal Policy: Challenging Austerity, Reclaiming Public Services and Upholding Human Rights.
[46] Kenya National Bureau of Statistics (KNBS) (2025) *Popular Version: Economic Survey 2025*.
[47] Ibid.
[48] GI-ESCR (2024) *Build us More Schools! The Quest for Quality Free Education in Mabatini and Ngei Wards of Mathare, Nairobi*

Social and Cultural Rights and the African Charter on Human and People's Rights, place an obligation on the state to mobilise, allocate and use its maximum available resources to progressively realise the rights to health and education.[49] The Guiding Principles on Foreign Debt and Human Rights affirm that debt servicing should not impair a state's ability to fulfil these obligations, while the Guiding Principles on Human Rights Impact Assessment of Economic Reforms discourage creditors from attaching harmful conditionalities to loans.[50] Kenya's experience since 2020 indicates that these safeguards have not been visibly applied in practice. Debt servicing has consistently absorbed a far greater and growing share of the national budget than either health or education spending, even as both sectors have documented worsening outcomes in staffing, infrastructure and affordability.[51]

24. Left unaddressed, these dynamics shift the practical burden of realising the rights to health and education away from the State and onto individual households, converting what are guaranteed rights under the Constitution of Kenya into matters of personal financial means. The Constitution's guarantee of free and compulsory basic education, for example, sits uneasily alongside the reality of informal public-school charges that low-income families struggle to afford, despite the State's obligation to provide free primary education.[52] Similarly, the constitutional and international right to health is increasingly mediated through a household's capacity to pay out-of-pocket, rather than guaranteed through public provision.[53]

3. Civic space and participation

25. Kenya's experience with austerity and fiscal conditionalities with international financial institutions shows a concerning picture regarding civic space and participation in relation to conditionality-linked fiscal reforms. Sustained civic mobilisation has at a point, altered the trajectory of these reforms. Nationwide protests against the Finance Bill 2024, which proposed the tax measures required to meet IMF revenue conditions, disrupted implementation and contributed directly to the IMF and Kenyan government's March 2025 decision to terminate the Extended Fund Facility and the Extended Credit Facility programmes ahead of schedule.[54]
26. At the same time, several reforms connected to the broader fiscal consolidation agenda were designed or implemented with limited institutional space for public participation. The

[49] Constitution of Kenya (2010) Article 2(6); GI-ESCR (2025) *States' Human Rights Obligations to Finance Public Services: A Focus on Education and Health.*

[50] Lumina, C. (2011) *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*; Guiding Principles on Foreign Debt and Human Rights (A/HRC?20/23), Principles 48-50; United Nations Human Rights Council (2018) Guiding Principles on Human Rights Impact Assessments of Economic Reforms (A/HRC/40/57).

[51] GI-ESCR (2025) Challenging Austerity, Reclaiming Public Services and Upholding Human Rights in Kenya.

[52] Constitution of Kenya (2010) Article 53 9(b); See also GI-ESCR (2024) *Build us More Schools! The Quest for Quality Free Education in Mabatini and Ngei Wards of Mathare Nairobi,* p.14

[53] GI-ESCR (2022) Patients or Customers? The Impact of Commercialised Healthcare on the Right to Health in Kenya during the COVID-19 pandemic.

[54] Liverseed, C. (2025) '*Kenya Finance Bill Protests' The Nonviolence Project University of Wisconsin-Madison,29 April;* uiruri, K. (2025) *'Kenya to forego sh63bn in IMF Funding' Business Daily*, 17 March.

Privatisation Act 2023, enacted to advance IMF-recommended privatisation of state-owned enterprises, controversially removed the requirement for parliamentary oversight of the privatisation process, vesting formulation authority in the Cabinet Secretary, while limiting Parliament's role to ratification only.[55] The High Court declared this Act unconstitutional in September 2024, halting the proposed privatisation of eleven state-owned enterprises, including the Kenya Literature Bureau, a key publisher of government-approved educational materials.[56] Separately, the New Higher Education Funding Model, introduced as part of broader fiscal reforms, was constitutionally challenged and temporarily suspended in October 2024 on the grounds of inadequate public participation, before being reinstated in April 2025.[57]

27. Civic space concerns also extend to the labour rights of public sector workers delivering essential services. In 2024 the health sector faced protests from doctors, clinical officers and medical interns who undertook industrial action to demand fair pay and improved working conditions, following the government's repeated failure to honour collecting bargaining agreements, itself a consequence of the public wage bill containment measures.[58]
28. These examples suggest that while Kenyan civil society and affected communities have retained the capacity to organise, mobilise and in some instances, achieve redress through the courts, the design of specific fiscal consolidation measures has repeatedly bypassed or narrowed formal channels for public participation, requiring litigation or mass protests rather than built-in consultation to correct the course.

5. Differential impacts on population groups

29. Austerity-linked fiscal measures in Kenya since 2020 have disproportionately affected several population groups, most clearly documented among women and girls, children, low-income and informal sector households and residents of underserved counties.
30. **Women and girls:** In FY 2025/2026, the health budget allocation under the Curative & Reproductive Maternal New Born Child Adolescent (RMNCAH) programme received the highest budget cut of about 18%, thus reducing access to maternal and reproductive health services.[59] Additionally, the means testing model under the Social Health Insurance Fund (SHIF) continues to struggle to capture the realities of household needs in a largely

[55] Kenya Law Reports (2023) *Privatisation Act. No 11 of 2023*, Section19 gives the Cabinet Secretary to the National Treasury to formulate the privatisation programme. Section 22 gives parliament the duty to ratify but no oversight in the whole process. As mentioned in the main text, the Act was declared unconstitutional in September 2024.
[56] Katiba institute (2024) The High Court of Kenya declares the Privatisation Act 2023 Unconstitutional; Mizner, A., (2024) 'Kenyan privatisation programme hangs in the balance,' African Law and Business, 20 November.
[57] Universities Fund (20250 Court of Appeal Reinstates Higher Education Funding Model.
[58] Siele, M.K.N. (2024) 'Doctors' strike reveals unemployment crisis for Kenyan medics', Semafor, 02 April; See also Muganda, M. (2024) 'Clinical officers begin strike as crisis in health sector worsens', The Standard, 01 June.; and Siele, M.K.N. (2024) 'Doctors' strike reveals unemployment crisis for Kenyan medics', Semafor, 02 April.
[59] Institute of Public Finance (2025) *Highlights from the proposed FY 2025/26 Budget*.

informal economy disproportionately affecting women, who are overrepresented in informal and unpaid care work.[60]

31. **Children:** Years of austerity and shifting government priorities have also slowed the expansion and upgrading of public school infrastructure, particularly in underserved areas such as informal settlements and arid and semi-arid regions, creating a widening gap in physical access to education and forcing children to travel long distances or learn in overcrowded and or unsafe classrooms.[61] Additionally, the declining allocation to free primary education programmes have also shifted informal costs, described by parents as 'motivation fees', onto households, disproportionately pushing low-income children, particularly girls, towards dropping out of school.[62]
32. **Low-income and informal sector households:** The shift from block funding to a means-testing Higher Education Funding Model has sharply increased costs for previously subsidised university courses. For example, a government-sponsored nursing student's annual fees rose from approximately KES 43,000 to KES 300,000.[63] Additionally, with regards to access to healthcare, the annual out-of-pocket spending reached approximately KES 150 billion in 2023, while only 38% of Kenyans were registered under national health insurance in FY 2023/24, leaving majority exposed to catastrophic health costs.[64]
33. GI-ESCR's research does not provide disaggregated data on the impacts of these measures on persons with disabilities, older persons or indigenous peoples. This remains a gap that would benefit from further targeted research.

6. Actionable solutions

6a) Reforms that would strengthen human rights safeguards, accountability mechanisms or human rights impact assessments in IFI-supported programmes, or improve the design and implementation of conditionalities

34. GI-ESCR considers that the following reforms would strengthen human rights safeguards in IFI-supported programmes and improve the design and implementation of conditionalities. They are addressed primarily to international financial institutions, and in several respects also require action by borrowing States:

    a) Integrate human rights obligations into all loan and credit agreements to ensure that fiscal and economic reforms support the realisation of economic, social and cultural rights.[65]

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[60] GI-ESCR (2025) *Prioritising People in Fiscal Policy: Challenging Austerity, Reclaiming Public Services and Upholding Human rights in Kenya.*
[61] GI-ESCR (2024) *Build us More Schools! The Quest for Quality Free Education in Mabatini and Ngei Wards of Mathare Nairobi*.
[62] Ibid.
[63] GI-ESCR (2025) *Prioritising People in Fiscal Policies: Challenging Austerity, Reclaiming Public Services and Upholding Human Rights*. As shared by Naomi Masai Chebet, student at the Kenya Methodist University during the Kenyan Struggles in the Global Fight Against Inequality - A Peoples' Alternatives Assembly 20 May 2025
[64] Kenya National Bureau of Statistics (KNBS) (2025) *Popular Version: Economic Survey 2025.*
[65] GI-ESCR (2025) *FfD4: GI-ESCR's Position Paper Zero Draft version to be discussed at FfD4 3rd Pre-Com (10-14 February 2025)*

b) Ensure that debt restructuring processes safeguard social spending on health, education and other essential public services, preventing austerity-driven cuts that harm vulnerable populations.[66]

c) Enhance transparency in the borrowing process by publishing all loan agreements, debt sustainability analyses and related conditionalities, to enable public scrutiny and accountability.[67]

d) Ensure inclusive and participatory debt negotiations, drawing on consultation with the public and affected communities, civil society and oversight institutions, to ensure that the debt and borrowing process reflects social and human rights priorities.[68]

e) Regularly conduct human rights impact assessments for all lending programmes, ensuring that debt repayment and financial stability do not undermine economic, social and cultural rights.[69]

6b) The systemic role the Human Rights Council, the treaty bodies, and other UN human rights mechanisms can play in monitoring and addressing the human rights impacts of IFI conditionalities

35. Existing international human rights frameworks already provide much of the normative architecture the Human Rights Council could draw upon, but Kenya's experience since 2020 shows that this architecture has not translated into effective monitoring or accountability in practice. The Guiding Principles on Foreign Debt and Human Rights affirm that lending should not impair a state's ability to fulfil its human rights obligations and the Guiding Principles on Human Rights Impact Assessment of Economic Reforms discourage creditors from attaching harmful conditionalities on loans. In practice our research finds these safeguards were not visibly applied in either country.

36. GI-ESCR recommends that the Human Rights Council, the treaty bodies and other UN Human Rights mechanisms strengthen their role in monitoring the human rights impact of IFI conditionalities, specifically by:

    a) Requiring human rights impact assessments, accompany major lending programmes, consistent with existing international human rights treaties and Guiding Principles and that these assessments be made public before the conditions are finalised, not only after implementation.

    b) Incorporating review of IFI conditionality impacts into existing reporting cycles, such as the Universal Periodic Review and treaty body State reporting, so that fiscal

[66] Committee on Economic, Social and Cultural Rights (CESCR) (1999) *General Comment No. 13: The Right to Education (Art. 13 of the Covenant)* E/C.12/1999/10, para. 60
[67] Lumina, C. (2011) *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: Guiding Principles on Foreign Debt and Human Rights (A/HRC/20/23)*. United Nations Human Rights Council, 10 April, Principles 42 and 43.
[68] Ibid. Principle 42.
[69] Global Initiative for Economic, Social and Cultural Rights (GI-ESCR) (2025) *FfD4: GI-ESCR's Position Paper Zero Draft version to be discussed at FfD4 3rd Pre-Com (10-14 February 2025)*.

consolidation commitments made to IFIs are assessed against a State's simultaneous human rights obligations.

c) Supporting the recommendation from the UN Independent Expert on the Promotion of a Democratic and Equitable International Order, George Katrougalos, for the General Assembly to request an advisory opinion from the International Court of Justice on IFIs' international human rights obligations to resolve persistent interpretative conflicts and ensure legal clarity.[70]

d) Support the ongoing process toward a UN Framework Convention on International Tax Cooperation as a parallel multilateral avenue through which fairer global tax rules can reduce dependency on IFI lending and its attached conditionalities.[71]

e) Support calls for a UN Framework Convention on Sovereign Debt to establish a fair transparent and multilateral debt resolution mechanism grounded in human rights principles, rather than leaving debt restructuring primarily to creditor-driven processes.[72]

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[70] Katrougalos, G. (2025) *Necessary reforms to the international financial architecture: Report of the Independent Expert on the promotion of a democratic and equitable international order*, UN Doc. A/80/279, paras. 27 and 42(a).
[71] GI-ESCR (2024) *The UN Tax Convention: A Powerful Tool for Equality and Human Rights*.
[72] Action Aid (2025) *Who Owes Who*; See also GI-ESCR (2025) *FfD4: GI-ESCR's Position Paper Zero Draft Version to be discussed at FfD4 3rd Pre-Com*.